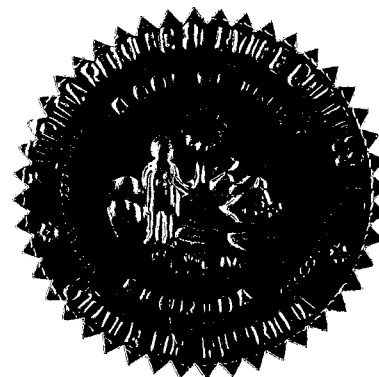


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 030829-TP

In the Matter of:

COMPLAINT OF FLORIDA DIGITAL
NETWORK, INC. d/b/a FDN COMMUNICATIONS
AGAINST BELL SOUTH TELECOMMUNICATIONS,
INC. FOR RESOLUTION OF CERTAIN
BILLING DISPUTES AND ENFORCEMENT OF
UNBUNDLED NETWORK ELEMENT (UNE) ORDERS
AND INTERCONNECTION AGREEMENTS.



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PROCEEDINGS: HEARING

BEFORE: COMMISSIONER J. TERRY DEASON
COMMISSIONER RUDOLPH "RUDY" BRADLEY
COMMISSIONER CHARLES M. DAVIDSON

DATE: Wednesday, October 6, 2004

TIME: Commenced at 9:40 a.m.
Concluded at 12:45 p.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: TRICIA DEMARTE, RPR
LINDA BOLES, RPR
Official FPSC Reporters

DOCUMENT NUMBER-DATE

FLORIDA PUBLIC SERVICE COMMISSION

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1 APPEARANCES:

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13 Staff.

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I N D E X

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1
2 COMMISSIONER DEASON: Call the hearing to order.
3 Could I have the notice read, please.

4 MR. FORDHAM: Pursuant to notice published
5 September 3rd, 2004, this time and place has been set for a
6 prehearing conference in Docket Number 030829-TP for purposes
7 set forth in the notice.

8 COMMISSIONER DEASON: Well, if this is a prehearing
9 conference, this won't take long, will it? I think we're here
10 for the hearing.

11 MR. FORDHAM: We're here for the hearing. I
12 apologize, Commissioner.

13 COMMISSIONER DEASON: That's no problem. It's the
14 day after a long agenda and that's understandable. Okay.
15 Could I take appearances, please.

16 MS. WHITE: Yes. Nancy White and Meredith Mays on
17 behalf of BellSouth Telecommunications.

18 MR. KASSMAN: Scott Kassman and Matthew Feil on
19 behalf of FDN Communications.

20 MR. FORDHAM: Lee Fordham representing the
21 Commission.

22 COMMISSIONER DEASON: All right. Mr. Fordham, we
23 have a number of preliminary matters. I know one of those is a
24 reconsideration. I think it would be advisable to take the
25 reconsideration after Commissioner Davidson joins us, which I

1 understand he's in transit and should be here any time,
2 hopefully. Are there other things that we can address at this
3 point?

4 MR. FORDHAM: Yes, Commissioner. If we drop down to
5 the next item, at the prehearing it was determined to let the
6 panel decide whether to dispense with witness summaries before
7 their testimony and perhaps in lieu thereof give a little
8 additional time for opening statements. That was a question
9 that came up but was deferred for the consideration of the
10 panel.

11 COMMISSIONER DEASON: Okay. So what is the desire of
12 the parties?

13 Ms. White.

14 MS. WHITE: BellSouth would be supportive of that, of
15 eliminating the summaries of the witnesses in lieu of maybe a
16 few extra minutes on the opening.

17 COMMISSIONER DEASON: Okay. And so that would
18 provide, in your opinion, how much time for an opening
19 statement?

20 MS. WHITE: It should be no more than ten minutes
21 total.

22 COMMISSIONER DEASON: Okay.

23 MR. KASSMAN: FDN would like its witnesses to provide
24 a summary.

25 COMMISSIONER DEASON: Okay. So then are you also

1 prepared to give an opening statement?

2 MR. KASSMAN: Yes. It shouldn't be more than five
3 minutes, Commissioner. I think in total between my opening and
4 my witness summaries, it shouldn't be more than 12 minutes.

5 COMMISSIONER DEASON: Ms. White, you understand that
6 his desire is to give both an opening statement and give
7 witness summaries. What's your response?

8 MS. WHITE: I guess I'm a little confused because at
9 the prehearing statement (sic), FDN was in favor of no witness
10 summaries and doing a longer opening. So the position has
11 changed since the prehearing. If it would please the
12 Commission, you know, we can do it both -- FDN can do it their
13 way and BellSouth can do it our way unless you would rather
14 have both sides do the same thing.

15 COMMISSIONER DEASON: Okay. I'm going to do this.
16 FDN, you'll be limited to five minutes, opening statement. You
17 will be permitted to have your witnesses give a brief summary.

18 And, Ms. White, your witnesses will dispense with
19 their summaries, and I'll allow you ten minutes for your
20 opening statement.

21 MS. WHITE: Thank you.

22 MR. KASSMAN: Thank you.

23 COMMISSIONER DEASON: All right. Mr. Fordham, other
24 preliminary matters?

25 MR. FORDHAM: Commissioner, perhaps we could go ahead

1 with the introduction of the exhibits, with the exhibit list
2 while we're waiting for Commission Davidson.

3 COMMISSIONER DEASON: Okay. I see that, staff, you
4 have prepared a preliminary list of exhibits; is this correct?

5 MR. FORDHAM: Yes, Commissioner, that seems to be
6 correct. As of the beginning, as of right now, those are the
7 things that we know will be exhibits and have been identified
8 in the prehearing statements and in the prehearing order.

9 COMMISSIONER DEASON: Okay.

10 MR. FORDHAM: We can certainly address them one at a
11 time if the Commissioner prefers.

12 COMMISSIONER DEASON: The parties have this list of
13 exhibits that have been prepared by staff? Are there any
14 objections or corrections to this list?

15 MS. WHITE: If we could just have a few seconds to
16 look at it.

17 COMMISSIONER DEASON: Sure. Please take some time to
18 look at that.

19 MS. WHITE: Yes, this looks fine to BellSouth.

20 MR. FORDHAM: And, Commissioner, the first item is
21 the official recognition list. We did go over that with the
22 parties this morning, and they're aware of the contents of that
23 list and agree on that.

24 COMMISSIONER DEASON: Okay. Does FDN have an
25 objection to the list of exhibits as prepared by staff?

1 MR. KASSMAN: FDN has no objection. I would note
2 that I have passed out some additional exhibits. Those would
3 be portions of the interconnection agreements, which the
4 Commission is taking official recognition of, and some other
5 documents as well.

6 COMMISSIONER DEASON: Okay. Well, staff, what we
7 will do is we will just number these exhibits as you have
8 listed beginning with 1 and going through -- 1 through 15,
9 according to my count.

10 MR. FORDHAM: And then during the course of the
11 hearing, Commissioner, we'll just pick up then with Number 16.

12 COMMISSIONER DEASON: Yes.

13 (Exhibits 1 through 15 marked for identification.)

14 COMMISSIONER DEASON: Now, are parties in a position
15 to go ahead and move the admission of Exhibits 1 through 15 or
16 to accept these exhibits into the record?

17 MS. WHITE: BellSouth would be agreeable to moving
18 the exhibits into the record at this time.

19 COMMISSIONER DEASON: FDN.

20 MR. KASSMAN: FDN is agreeable to that, yes.

21 COMMISSIONER DEASON: And, staff, that is your desire
22 as well; correct?

23 MR. FORDHAM: Yes, Commissioner. That would expedite
24 things, I believe.

25 COMMISSIONER DEASON: Okay. Show then Exhibits

1 1 through 15 are admitted into the record. I take it, you have
2 also provided -- Mr. Fordham, you've provided this to the court
3 reporter as well?

4 MR. FORDHAM: Yes, I have Commissioner.

5 COMMISSIONER DEASON: Okay. Very well.

6 (Exhibits 1 through 15 admitted into the record.)

7 COMMISSIONER DEASON: All right. Other preliminary
8 matters?

9 MR. FORDHAM: Other than the argument on the motion,
10 Commissioner, that's all staff has.

11 COMMISSIONER DEASON: Okay. Well, then I'll throw it
12 open to the parties. I understand we need to address the
13 reconsideration, but are there other preliminary matters,
14 Ms. White?

15 MS. WHITE: No, sir, not that we're aware of.

16 COMMISSIONER DEASON: All right.

17 MR. KASSMAN: No, Commissioner.

18 COMMISSIONER DEASON: Okay. Then, Mr. Fordham, go
19 ahead and kind of introduce the motion for reconsideration.

20 MR. FORDHAM: Commissioner, during the discovery
21 phase there was a set of discovery wherein BellSouth objected
22 to the interrogatories. Subsequently, FDN filed a motion to
23 compel response to those specific questions, and the motion to
24 compel was considered and an order was issued by the Prehearing
25 Officer denying the motion to compel. Subsequently, FDN filed

1 a motion for reconsideration, but the timing was such that we
2 could not get it on an agenda to be addressed prior to the
3 hearing, so therefore, this morning it would be appropriate to
4 proceed with that prior to getting into the merits of the
5 hearing.

6 COMMISSIONER DEASON: Okay. Are we contemplating
7 oral argument, or is this just a matter to be taken up by the
8 Commissioners?

9 MR. FORDHAM: Yes, Commissioner, the parties would
10 like to address the motion. And since FDN is the movant, it
11 would be appropriate for them to go first.

12 COMMISSIONER DEASON: Mr. Kassman, what time frame do
13 you anticipate with your argument on this motion?

14 MR. KASSMAN: Just a couple minutes, Commissioner.

15 COMMISSIONER DEASON: Very well. And I would assume
16 the response would be likewise.

17 MS. WHITE: Yes, sir.

18 COMMISSIONER DEASON: Very well. Mr. Kassman, you
19 may proceed.

20 MR. KASSMAN: Thank you, Commissioner. FDN had hoped
21 to have this motion resolved prior to the hearing so that we
22 could obtain certain discovery from BellSouth. Given that
23 we're now at the hearing, the matter of obtaining that
24 discovery is now moot. That said, FDN believes that the order
25 on motion to compel should be clarified because it made several

1 pronouncements which appear to prejudge the matter at hand.

2 The order presumes the proper interpretation of the
3 parties' interconnection agreement and prejudices the matter by
4 stating that the Commission has already addressed the
5 circumstances in which BellSouth should be allowed to assess
6 disconnect charges. The order also overreaches and therefore
7 prejudices this matter by stating that the overrecovery of costs
8 is not an issue in this proceeding. FDN argues that cost
9 recovery is directly relevant to Issue Number 1 in this case.
10 FDN asks that the panel clarify the order on motion to compel
11 in such a way as not to prejudge the issues which will be
12 before this panel today.

13 COMMISSIONER DEASON: Ms. Mays or Ms. White.

14 MS. WHITE: BellSouth supports the Prehearing
15 Officer's order on the motion to compel. We do not believe
16 that FDN's motion for reconsideration meets the standard for a
17 reconsideration motion. And we believe that the Prehearing
18 Officer's order should be upheld and that it did not prejudge
19 anything. Thank you.

20 COMMISSIONER DEASON: So it's your position that
21 there's no need for clarification?

22 MS. WHITE: That's correct.

23 COMMISSIONER DEASON: Okay. Mr. Fordham, do you have
24 anything to add at this point?

25 MR. FORDHAM: Commissioner, I would suggest that it

1 would certainly be appropriate to just indicate on the record
2 whether there was any prejudgment of the outcome of the case.
3 Staff did not perceive such, but the fact that that question is
4 posed to the Commission, it would not be inappropriate to just
5 have a clarification from the Commission that in rendering that
6 order, denying the motion to compel, they were not reaching any
7 ultimate conclusions regarding the outcome of the case.

8 COMMISSIONER DEASON: Okay. Commissioners, what's
9 your pleasure at this point? Questions or a motion?

10 COMMISSIONER DAVIDSON: Well, I really view this as
11 an issue within the discretion of the Prehearing Officer. I've
12 seen nothing in the record that to me prejudices the case. I
13 know I haven't prejudged it. I don't assume the other
14 Commissioners have. So what if -- if a statement of
15 clarification is in the Prehearing Officer's discretion
16 necessary, fine; if not, fine as well. I mean, if we need a
17 motion, I'll be happy to make one.

18 COMMISSIONER DEASON: Okay. I'll just kind of toss
19 it over to Commissioner Bradley and see if there's any comment
20 he wishes to make at this time, and then we'll take up a
21 motion.

22 COMMISSIONER BRADLEY: Well, I concur with what
23 Mr. Fordham and what Commissioner Deason has put forth. By no
24 means has there been any prejudgment of any of the issues, the
25 outcome of this particular docketed item.

1 COMMISSIONER DEASON: The only question is, should
2 there be some type of clarification to that effect? You know,
3 I'm not sure that it's necessary. I don't think there's any
4 harm in doing it either. I think it's just whatever the desire
5 of the Commission is at this point. The actual discovery
6 itself, according to FDN, is moot at this point. It's just a
7 question of whether there is to be any clarification.

8 COMMISSIONER DAVIDSON: Well, I think by this
9 discussion we've made that point, but I'll move that, you
10 know --

11 COMMISSIONER DEASON: Well, is there going to be the
12 need to issue an order to -- I mean, we're going to issue an
13 order dispensing with this motion. FDN has already indicated
14 it's moot as far as the actual substance of trying to obtain
15 the discovery. I think they have acquiesced.

16 MR. FORDHAM: Commissioner, staff did not envision a
17 separate order. If needed, we could add an ordering paragraph
18 to the final order on the hearing.

19 COMMISSIONER DEASON: Well, let's be efficient and
20 not be overly -- the workload is heavy enough around here. I
21 think that -- we've had a discussion here on the bench. I
22 think it's obvious that it certainly wasn't the intent of the
23 Prehearing Officer and it's not the understanding of -- it's
24 the understanding of the other Commissioners on this panel that
25 all issues are open. There's not been any prejudgment. The

1 decision concerning the discovery, even if it gave the
2 impression, and I'm not sure that it did, it certainly was not
3 intended to be any prejudgment of any of the issues that have
4 been listed in the prehearing --

5 COMMISSIONER DAVIDSON: So I would move we deny the
6 motion for reconsideration.

7 COMMISSIONER DEASON: Do you want a denial, or do you
8 just want to withdraw it?

9 MR. FEIL: With respect to the reconsideration
10 portion, I guess we would accept that piece of it as being
11 moot. With respect to the clarification relief requested, I
12 think you've effectively addressed that already. And I agree
13 with Mr. Fordham that there would be no need for a separate
14 order.

15 COMMISSIONER DEASON: Very well. I think we've
16 addressed the matter.

17 MR. FORDHAM: Thank you, Commissioner.

18 COMMISSIONER DEASON: To your satisfaction?

19 COMMISSIONER BRADLEY: I'm fine, yes. Yes, that's
20 satisfactory.

21 COMMISSIONER DEASON: All right. I think we've
22 addressed the preliminary matters; is that correct,
23 Mr. Fordham?

24 MR. FORDHAM: That's correct, Commissioner.

25 COMMISSIONER DEASON: Okay. And we can proceed to

1 opening statements.

2 Mr. Kassman.

3 MR. KASSMAN: Thank you, Commissioners. Good
4 morning, Commissioners. FDN brings before you today two
5 separate billing disputes with BellSouth and asks that with
6 respect to each dispute you order BellSouth to abide by the
7 terms of this Commission's orders and the parties'
8 interconnection agreements.

9 The first dispute that FDN brings before you today
10 concerns BellSouth's unilateral and unlawful implementation of
11 this Commission's 120-day order in the BellSouth UNE cost
12 docket, Docket Number 990649A.

13 As this Commission is well aware, the 120-day order
14 set new rates for certain unbundled network elements, but more
15 importantly, at least for purposes of this proceeding, the
16 order reallocated certain wire centers to different rate zones.
17 That order also required that the parties implement the order
18 by amending their interconnection agreements.

19 However, not only did BellSouth unilaterally and
20 unlawfully implement the 120-day order without the necessary
21 amendment, but BellSouth also separated the Commission-approved
22 rates from the Commission-approved zone structure. FDN will
23 show that UNE rates and UNE zones are not severable from one
24 another. The two cannot be mixed and matched, but rather can
25 only exist together as originally approved by the Commission in

1 order to be TELRIC-compliant.

2 Later today, you will hear BellSouth tell you that
3 FDN is simply trying to avoid complying with the terms of its
4 interconnection agreement. BellSouth will tell you that the
5 terms of the parties' agreement allow BellSouth to make certain
6 changes to that agreement without an amendment. Despite this
7 Commission's expressed requirement of an amendment, BellSouth
8 will tell you that it lawfully implemented the 120-day order
9 because, one, the interconnection agreement allows BellSouth to
10 post certain notices to its Web site and, two, because the rate
11 sheet contained in the agreement list the URL for BellSouth's
12 Web site.

13 FDN would like this panel to understand, however,
14 that the interconnection agreement provision which BellSouth
15 relies upon to flout this Commission's 120-day order was
16 intended to address BellSouth changes in business rules. That
17 provision was not intended to allow BellSouth to unilaterally
18 amend the agreement upon a change in law, such as is the case
19 here. Indeed, the parties' agreement contains a separate
20 provision for changes in law, as is the case here.

21 You will also hear BellSouth claim that it would be
22 administratively burdensome and completely impractical to
23 implement the Commission's 120-day order. The shortcomings of
24 BellSouth's billing systems, which are frequently cited as an
25 excuse for BellSouth's noncompliance, are in fact not an excuse

1 for BellSouth to intentionally disregard the law.

2 The second billing dispute which FDN brings before
3 you today stems from BellSouth's unlawful practice of assessing
4 nonrecurring charges for disconnects in winback situations.
5 You will hear FDN refer to such disconnects as reverse hot
6 cuts. You will hear BellSouth attempt to simplistically frame
7 this matter again as one in which FDN seeks to avoid the terms
8 and conditions of its interconnection agreement. Like most
9 things in life, however, the matter is not that simple.

10 First, FDN acknowledges that its interconnection
11 agreement contains a nonrecurring charge for disconnects.
12 However, FDN never agreed to pay a disconnect charge in the
13 case of customers porting their service back to BellSouth or to
14 a carrier ordering through BellSouth, a UNE-P carrier, for
15 example. Second, this Commission never addressed the proper
16 application of disconnect charges in any of its orders. The
17 Commission could not have addressed the application of
18 disconnect charges in winback situations because BellSouth's
19 UNE cost study does not contemplate winbacks, but rather
20 contemplates only what FDN will refer to as stand-alone
21 disconnects; for example, when a customer wants to disconnect
22 one line of a multiline account or perhaps moves outside of the
23 BellSouth footprint. Accordingly, the disconnect rate in FDN's
24 interconnection agreement applies only to what the Commission
25 addressed, stand-alone disconnects.

1 Furthermore, the activities associated with
2 physically disconnecting a loop in a winback situation cannot
3 be viewed in isolation. As opposed to a stand-alone disconnect
4 where the loop is not reconnected to a carrier's switch, the
5 loop in a winback situation is disconnected from the CLEC
6 switch and is immediately reconnected to BellSouth's switch.
7 These are not two separate events, but rather a single,
8 synchronous event which is specifically designed to avoid a
9 service interruption. As such, all the activities that make up
10 BellSouth's nonrecurring disconnect charge are necessarily part
11 of the process of installing a loop.

12 This Commission has found that activities which
13 underlie a nonrecurring charge must benefit only a specific
14 CLEC. Because the disconnect activities are really part of the
15 installation activities which benefit BellSouth and its new
16 customer, FDN argues that BellSouth's nonrecurring charge is
17 unlawful as applied to winbacks. Moreover, FDN should not be
18 required to pay BellSouth disconnect NRCs in winback situations
19 because FDN is not the cost causer. As this panel is well
20 aware, cost causation is a bedrock principle of ratemaking
21 which dictates that costs should be attributed to their source
22 whenever possible.

23 FDN will show that BellSouth, through its winback
24 promotions and waiver of retail installation fees, sets the
25 chain of causation in motion and is, therefore, the true cost

1 causer of the disconnects at issue. By allowing BellSouth to
2 charge FDN for the winback disconnection while BellSouth at the
3 same time charges its retail customer an installation fee
4 allows BellSouth to overrecover its costs. In the alternative,
5 permitting BellSouth to charge FDN disconnect fees in winback
6 situations allows BellSouth to waive the retail installation
7 fee for its retail customer and foist the costs of the winback
8 upon FDN.

9 BellSouth itself boasts that its small business unit
10 wins back nearly two out of every three of what it
11 characterizes as competitive disconnects. If BellSouth is
12 allowed to continue to assess this unjust and unreasonable
13 disconnect charge, CLECs like FDN will effectively be forced to
14 finance their own demise. Thank you.

15 COMMISSIONER DEASON: Ms. Mays.

16 MS. MAYS: Thank you. Commissioners, we did pass out
17 a document. If we could have that labeled as the next exhibit,
18 16, before I begin. It's a composite of various portions of
19 the interconnection agreement, some of the discovery, and a
20 time line --

21 COMMISSIONER DEASON: This document?

22 MS. MAYS: Yes, sir.

23 COMMISSIONER DEASON: Okay. It will be identified as
24 Exhibit 16.

25 MS. MAYS: Thank you, sir.

1 (Exhibit 16 marked for identification.)

2 MS. MAYS: Good morning, Commissioners. I'll try not
3 to take too much time, but we did want to walk you through what
4 BellSouth's position is on this billing dispute. And first and
5 foremost, no matter what FDN would like you to think, we don't
6 think this is a complicated manner. We aren't here to
7 relitigate costs. You did a cost proceeding and you looked at
8 cost extensively. And FDN has said in their discovery that
9 they're not contesting the rate. So we're not trying to get
10 into complicated cost matters. We're here because we billed
11 FDN and FDN hasn't paid us and we would like to be paid.

12 FDN has noted there's two areas in dispute and we
13 agree. There's two billing issues before you. And I'm going
14 to take them in reverse order from FDN and talk about the
15 nonrecurring disconnect charges first. These are charges that
16 came about and came up in 1998. There was an arbitration that
17 this Commission dealt with, and there were three CLECs as well
18 as BellSouth in the case. And over at Tab 2 we just have some
19 excerpts from that. You will see that there are the three
20 CLECs who were involved on the first page, and if you flip over
21 to the last page in Tab 2, it talks about the disconnect. And
22 that's where this issue really started.

23 What happened in 1998 was simple. BellSouth proposed
24 that we would charge an installation nonrecurring charge only,
25 one charge when a customer orders service. And this Commission

1 decided that you wanted us to separate the charges. And this
2 is the language in the order. And the reason for that was
3 because you said, if we separate the charges, then you can
4 reduce the up-front fees. And so we separated the disconnect
5 charges. But let's think about it. We all know at some point
6 in the future every customer is going to disconnect. They're
7 either going to move, they might change providers, or at some
8 point, to be simple, they're eventually going to pass away.
9 There will be a disconnect of every loop. And so that is why
10 we proposed there would just be one charge and that the
11 disconnect charge was going to be rolled into the installation
12 and you do the time value of money and all these kinds of
13 things you do to make it work. That's not the approach this
14 Commission took. You said no and we did it separate.

15 So the next time we dealt with disconnects came up in
16 your cost docket, and we have some provisions under Tab 3 where
17 you have the May 2001 order. And the cost docket, of course,
18 involved multiple carriers, including FDN, and we already knew
19 what your structure was. Your structure was, there was going
20 to be an installation and a disconnect fee. And we followed
21 that structure. We reviewed our tasks and you set new
22 disconnect rates.

23 As part of that UNE cost proceeding, that's also when
24 deaveraged UNE rate zones came about. We've got three
25 deaveraged UNE rate zones. And we'll talk about that a little

1 more in the rate zone dispute, but that came up in that
2 proceeding as well. The interesting thing about the cost
3 proceeding is that FDN, I mentioned was involved, they filed
4 testimony, they filed a prehearing statement, and they proposed
5 nonrecurring disconnect rates. And they told us that and they
6 admitted that in discovery. And in Tab 7 is where they admit
7 that on Page 3 under Tab 7 that, yes, we filed a prehearing
8 statement in the cost proceeding. Yes, we proposed disconnect
9 rates. They did that. They had an opportunity to go at length
10 over disconnects at that time.

11 Well, so why are we here? The parties have an
12 interconnection agreement, and in that interconnection
13 agreement FDN agreed it would pay certain charges. The
14 language about payment is they shall pay. And there are a
15 number of different pages from the interconnection at
16 Page 8 and -- Tab 8, pardon me. And the first charge is from
17 the very first agreement they adopted. And we stuck one page
18 in that we didn't get in properly in the notebooks, and it has
19 a provision in the most current agreement. And the provision
20 1.7.1 again says FDN shall pay BellSouth for nonrecurring
21 disconnect rates. It actually says they shall pay for the
22 network elements, and then the disconnect rates are in the rate
23 sheets. They shall pay, no exception, no limitation, rates
24 that came about in proceedings with multiple carriers.

25 So with all due respect to FDN, why are we here if

1 they said they shall pay? Well, we have our own theory about
2 that, and it concerns a case you already heard called key
3 customer. Guess what? When FDN was upset about our
4 promotional retail tariffs, one of the issues they talked about
5 was nonrecurring disconnect rates. The information at Tab
6 6 shows you that. FDN's CEO, Mr. Gallagher, put something in
7 his testimony about that. I'm upset about that. I'm
8 paraphrasing, but he objected to the nonrecurring disconnect
9 charges. He also made a point about the UNE rate zones, and
10 again, we'll get back to that.

11 FDN crossed our policy witness at that time,
12 Mr. Ruscilli, and there's some language from the transcript.
13 And then FDN answered questions from this staff about
14 disconnects, and it talked about their issue with disconnects.
15 All that happened in key customer. Now, FDN is going to tell
16 you, well, nonrecurring disconnects wasn't a listed issue.
17 Well, you know what? At Tab 8 when -- excuse me, at Tab 10
18 when they filed their motion for reconsideration in this case,
19 the one we just addressed, they said in there that you can add
20 issues up to the prehearing order. So with all due respect
21 again, we had the UNE cost proceeding, we had the key customer
22 where this got fleshed out some more, they didn't raise a new
23 issue up to the prehearing order, but here we are before you
24 again. So our theory about why we're here on the nonrecurring
25 disconnects, if you go over to Tab 1 and you go to the first

1 page, there's a lot of information here, but the key point is
2 the hearing -- the final order in key customer was June 19th,
3 2003; this complaint was filed on August 14th of 2003. Quite a
4 coincidence.

5 So having said all that, what's the big deal with the
6 nonrecurring disconnect? Did you consider winback? Well,
7 again, you had multiple carriers, so we think it was implicitly
8 addressed. Is there a statement in these various orders that
9 says this is winback and this is what happens? No. But we all
10 knew there was more than one carrier.

11 And what are we talking about here? What we're
12 talking about is a situation where the loop that FDN gets comes
13 from BellSouth, and you have to disconnect the loop off of
14 BellSouth's switch and make that loop go over to FDN's switch.
15 I'm not a technical person and we didn't bring you a network
16 person. But even if we do that as simultaneously as possible
17 to make it seamless to reduce the dial tone loss, there's work
18 that has to be done to take the loop from our switch, and
19 there's work that has to be done to get the loop over at FDN's
20 switch. And if you look at that total time, you divided it
21 when you created these different tasks by separating them. So
22 there's just no overrecovery. Yes, there's work done. Yes, we
23 try to eliminate dial tone. Of course we do. But the fact
24 that you get all the time and divide it between these two
25 charges, that's just the way the structure was set up. Nothing

1 complicated there.

2 Now, let me talk to you a little bit about the UNE
3 rate zone issue. In the UNE rate zone issue, one of the second
4 sheets we passed out is just a handout that just says, "Rate
5 Zone Issue." It wasn't in our notebook, and we can perhaps
6 identify that as Number 17, if it please the Commission. But
7 we don't have a factual dispute here. What we have is a
8 situation that FDN hasn't contested where our billing systems
9 have a central office associated with different UNE rate zones,
10 and those central offices can be in one zone at one time. So
11 that means if the central offices change and they go from one
12 zone to another zone, that the billing systems have to cut
13 over. So what do you do? You've got to change the central
14 offices, and we tried to address that in our interconnection
15 agreements by making it clear that the central offices are
16 subject to change.

17 And again, the interconnection language is at Tab 8.
18 There's a host of it. And we've highlighted in there the Web
19 site reference that FDN takes issue with. The point of putting
20 a reference into the Web site and addressing central offices
21 was to put folks on notice. Central offices can change. The
22 UNE rate zone, the law that has here are UNE rate zones, that
23 doesn't change, but the COs may change. And so we've got to
24 change them. We can either change it at the beginning of the
25 process right after the order and let everyone take advantage

1 of that structure, or we can wait until everyone under the sun
2 has amended their interconnection agreement. And we did it the
3 way where you change it up front. And we did a carrier
4 notification letter to notify the industry of that, at Tab 9.
5 And this is the way we've done it all the time. And out of all
6 the times we've made these changes, we've got FDN here
7 complaining.

8 Yes, sir.

9 COMMISSIONER DAVIDSON: Chairman.

10 So is it BellSouth's position that the UNE rates in
11 the various zones do not change, but if a central office shuts
12 down and perhaps relocates to another zone, the disconnect
13 charge in the new zone may be somewhat different than the
14 disconnect charge in the former zone? So it's the relocation
15 of the office that affects a disconnect charge. Is that the
16 basic argument?

17 MS. MAYS: Actually, Commissioner, it's a different
18 argument. The disconnect is a different dispute than the UNE
19 rate zone. The disconnect just has to do with the charge et
20 al. The UNE rate zone, if you look at this example that we
21 gave you, we had central offices that went from one zone to
22 another zone. And under the interconnection agreement, we had
23 the rates that were under the May 2001 order. So what
24 BellSouth did, if you go under what happened is, we cut the
25 central offices over. So if you look at this sample, this

1 example, if FDN had an SL1 loop out of Zone 1 in Cocoa Beach at
2 11.74 in the interconnection agreement, and then the Cocoa
3 Beach central office went to Zone 2, when we cut the central
4 offices over, we billed FDN the Zone 2 rate that was in the
5 contract until the contract got amended. And it happened
6 whether the zone was to their benefit and it was a Zone
7 2 central office that went to Zone 1 so they got a lower rate,
8 or if it was a Zone 1 that went to Zone 2 and they got a higher
9 rate.

10 COMMISSIONER DAVIDSON: A follow-up on that,
11 Chairman.

12 The initial cost for a loop in Zone 1 of 11.74, was
13 that based upon the physical location of the loop in the Cocoa
14 Beach area, or was it based upon the existence of the central
15 office in the Cocoa Beach area?

16 MS. MAYS: Yes, sir. When you look at the cost
17 studies, the loop costs are averaged. So there is a factor for
18 location, but obviously it's an averaged cost over all the
19 loops. So the way we did it and the reason that we did it
20 again goes back to, how do you this flash cut when the COs
21 change? We just have to do it at one time. There's no dispute
22 about that.

23 What FDN is basically saying is that you couldn't
24 change anything until the agreement is signed and amended. And
25 what we're saying is, we didn't change the actual rate that was

1 in the contract, the CO changed, and that might have affected
2 the loops but that's the way we had to do it. And in doing it
3 that way, we put the order -- we start putting the order into
4 effect, and it completes the process when the amendment is
5 done.

6 And just to wrap up here. I know I've taken a little
7 bit more time. One of the things that FDN takes issue with in
8 the UNE rate zone is they say, again, we should have waited
9 until the amendment is done. We don't think we did anything
10 wrong here. We think we followed our procedures, and we think
11 the contract language addressed that by referring them to the
12 fact that central offices can change.

13 But again, if we look at the entire market, if you
14 look at the entire CLEC population, this is the first time that
15 this issue has arisen. And we think that speaks volumes about
16 the reason why that process is reasonable. CLECs aren't in
17 here complaining about this because if you look at it
18 region-wide, office-wide all the time, we're trying to put
19 these orders in to benefit the market, and we're trying to
20 follow the Commission's orders. No one is trying to do
21 anything under the cover or trying to hide the ball here with
22 FDN. We did what we thought we were supposed to do, and we put
23 in contract language that we thought addressed the situation.
24 So for these reasons, at the end of this case, we would ask
25 that you order FDN to pay us the money that it has withheld.

1 Thank you.

2 COMMISSIONER BRADLEY: Excuse me.

3 COMMISSIONER DEASON: Yes, Commissioner.

4 COMMISSIONER BRADLEY: Just one question along the
5 same line as Commissioner Davidson.

6 Did I hear you say that if a central office goes
7 from -- goes into a rate zone that has a lower per month
8 charge, that FDN benefits from that?

9 MS. MAYS: Yes, sir.

10 COMMISSIONER BRADLEY: And also, if he goes into a
11 higher rate zone, FDN benefits, or I wouldn't say benefit, but
12 FDN has to pay the higher cost. So it really might be a wash
13 in that it could be lower or it could be higher just depending
14 upon the rate zone.

15 MS. MAYS: It does, Commissioner. That's exactly
16 right. And what FDN has said, as we understand them, is that
17 they say, if you do the whole -- if you looked at every single
18 CO and every single loop they ordered, that they came out
19 behind. And we're not disputing that based on where their
20 loops may fall, but they may have ended up coming behind in the
21 process. What we're saying is this is the process we follow
22 all the time in every state with all the CLECs, and in that
23 process and in the course of doing it this way, as we've always
24 done it, FDN is the only one complaining about it.

25 And more importantly, by putting the Web site

1 reference in these central offices, we are trying to do exactly
2 what they say we should have been doing, which is abide by our
3 contracts. We're telling the CLECs we're not contracting that
4 your CO will always be the same over the life of the contract
5 because we can't do that because COs may change.

6 COMMISSIONER BRADLEY: So I'm just trying to make
7 sure I heard what you said. You basically said that FDN
8 determines that cost because they determine where their loops
9 fall.

10 MS. MAYS: Right. As I understand FDN's argument,
11 they're saying -- and this sort of goes back to their -- what
12 we think is an objection with the way the Commission ordered
13 the central offices, but if you have more central offices that
14 went from Zone 1 to Zone 2, that they would be paying the rate
15 in the contract for the Zone 2 central office until that rate
16 is changed. And of course we're going to change that as soon
17 as the contract is amended and that's what we did. And in
18 their specific instance, for just FDN, they're saying, we ended
19 up paying more. It wasn't a wash for them.

20 COMMISSIONER BRADLEY: Is there more profit in a
21 higher cost zone for an ALEC or for a CLEC?

22 MS. MAYS: Zones 2 and 3 are typically priced higher
23 than Zone 1, but we implement all the state commission orders
24 the same way. So typically when a new UNE order comes out, the
25 rates are lowered. And even in this order you see the

1 Zone 1 rate goes down from 11.74 to 10.69; the Zone 2 rate goes
2 from 16.26 to 15.20. So what we're doing when these orders
3 come out in all the various states is we're putting the COs
4 into effect immediately, but we're charging you the rate that
5 you contracted for. And everybody goes through the process of
6 amending their agreements, and at the end of the day, they all
7 line up. FDN is taking issue with the way we implemented that.

8 COMMISSIONER BRADLEY: Maybe I need to ask FDN that
9 question about profitably.

10 COMMISSIONER DEASON: Do you wish to do that at this
11 point or to the witness that takes the stand? It's up to you.

12 MR. KASSMAN: That's fine, Commissioner.

13 COMMISSIONER BRADLEY: Just to clear up something in
14 my mind. If FDN moves -- if the CO moves from Zone 2 to Zone
15 1 -- wait a minute. How can I state this?

16 Okay. Does FDN typically make more of a profit
17 upon -- as a result of their service in Zone 2 as compared to
18 Zone 1?

19 MR. KASSMAN: I believe the answer to that is no,
20 because the Zone 2 loops are higher in cost than the Zone 1
21 loops.

22 COMMISSIONER BRADLEY: Okay. Well, how do you absorb
23 the costs as it relates to what you charge the customer?

24 MR. KASSMAN: I don't believe there's any change in
25 what we charge the customer.

1 COMMISSIONER BRADLEY: So you charge the customer the
2 same for service in Zone 1 as you do in Zone 2?

3 MR. KASSMAN: I believe that's correct.

4 COMMISSIONER BRADLEY: So does that create a wash?

5 MR. KASSMAN: I'm sorry. Does that create a wash?
6 No, I don't believe so.

7 COMMISSIONER BRADLEY: Why not?

8 MR. KASSMAN: Because again, our costs are higher in
9 Zone 2, those customers that reside in Zone 2 than those
10 customers that reside in Zone 1.

11 COMMISSIONER BRADLEY: Well, why is the cost
12 different for Zone 2 as compared to Zone 1?

13 MR. KASSMAN: Those are the rates that the Commission
14 set.

15 COMMISSIONER BRADLEY: Can someone tell me why
16 there's a difference?

17 COMMISSIONER DEASON: Commissioner, the Commission
18 sets the zones and there's no exact science to it. There's
19 some use of judgment. Of course, it's based upon empirical
20 data and cost studies and things of that nature, but we try to
21 look at the cost of a loop in different zones. And it depends
22 upon the length of the loop, the type of terrain, and the
23 density and type customers, and all of this kind of goes into
24 the analysis, and the Commission does the best that it can in
25 trying to allocate those according to zones.

1 Mr. Fordham, do you want to add -- or, staff, do you
2 want to add anything to that?

3 MR. FORDHAM: I think that's just a good common
4 language explanation, Commissioner. I don't disagree with
5 that.

6 COMMISSIONER DEASON: Okay.

7 COMMISSIONER BRADLEY: Thank you.

8 MR. KASSMAN: I would like to add one point, if I
9 could, Commissioners, and just to make the matter clearer.
10 What FDN is disputing is the fact that BellSouth charged FDN
11 rates, if you will, the rates in its then current agreement,
12 but again, those rates were associated with wire centers that
13 now moved to different zones.

14 So, for example, if the rate in FDN's current
15 interconnection agreement for a Zone 2 loop were \$16, BellSouth
16 would have charged FDN the \$16. But if I recall, the 120-day
17 order set new rates. So rather than charge FDN the new rate
18 for what would now be a Zone 2 loop, they charged FDN, if you
19 will, the old rate for what would be then a Zone 2 loop. So I
20 just want to make that clear. So in that sense, they severed
21 the rates from the zone structure.

22 COMMISSIONER DEASON: Commissioner Davidson.

23 COMMISSIONER DAVIDSON: A follow-up question on that
24 point. So is it fair to state that the dispute, from FDN's
25 perspective, is limited to the \$1.06 between the old Zone 2

1 rate of 16.26 and the 120-day order Zone 2 rate of 15.20?

2 MR. KASSMAN: Actually, I think Ms. Warren could
3 better speak to that today. I think you'll hear her talk about
4 that.

5 COMMISSIONER DAVIDSON: Okay. Thank you.

6 COMMISSIONER DEASON: Okay. Ms. Mays, you
7 indicated -- well, let me just ask. Do you wish to have the
8 one-page exhibit entitled, "Rate Zone Issue" identified?

9 MS. MAYS: Yes, sir. If we could have that
10 identified as Number 17 --

11 COMMISSIONER DEASON: It will be so identified as
12 Exhibit 17.

13 (Exhibit 17 marked for identification.)

14 MS. MAYS: And that actually concludes our
15 presentation as well. If it's appropriate to move Exhibit 16
16 and 17 into the record, we would so ask at this time.

17 COMMISSIONER DEASON: Is there an objection to either
18 Exhibit 16 or 17?

19 MR. KASSMAN: Well, honestly, this is a rather
20 voluminous document, Exhibit 16, but I guess --

21 COMMISSIONER DEASON: If you'd wish some time to
22 review it, I'll certainly --

23 MR. KASSMAN: Yes, I'd appreciate that. Thank you.

24 COMMISSIONER DEASON: Yes. Ms. Mays, just remind me,
25 I'll give you an opportunity to move these exhibits at a later

1 time.

2 MS. MAYS: Thank you, Commissioner.

3 COMMISSIONER DEASON: I believe we're ready to swear
4 in witnesses.

5 All witnesses that are present in the hearing room,
6 please stand and raise your right hand.

7 (Witnesses collectively sworn.)

8 COMMISSIONER DEASON: Thank you. Please be seated.
9 Okay. Mr. Kassman, you may call your witness.

10 MR. KASSMAN: Thank you, Commissioner. FDN calls the
11 panel of Dr. August Ankum and Ms. Sharon Warren.

12 AUGUST H. ANKUM
13 SHARON R. WARREN
14 were called as a panel of witnesses on behalf of FDN
15 Communications and, having been duly sworn, testified as
16 follows:

17 DIRECT EXAMINATION

18 BY MR. KASSMAN:

19 Q Dr. Ankum, would you please state your name and
20 address for the record.

21 A (By Dr. Ankum) My name is August H. Ankum. My
22 address is 1361 North Hoyne, H-O-Y-N-E, Suite Number 1,
23 Chicago, Illinois 60622.

24 Q I'm sorry, Doctor, can you move a little closer to
25 the microphone, please?

26 A Yes.

1 Q Thank you. By whom are you employed and in what
2 capacity.

3 A QSI Consulting; I'm senior vice president.

4 Q Have you caused to be prefiled in this case direct
5 testimony consisting of 29 (sic) pages?

6 A Yes, I have.

7 Q Do you have any changes or corrections to that
8 testimony?

9 A No, I don't.

10 Q So if I were to ask you the same questions contained
11 in your direct testimony, would your answers today be the same?

12 A Yes, they would be.

13 MR. KASSMAN: FDN moves that the direct testimony of
14 Dr. Ankum filed on April 26th, 2004 be entered into the record
15 as though read.

16 COMMISSIONER DEASON: Without objection, it shall be
17 so inserted.

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INTRODUCTION

Q. PLEASE STATE YOUR NAME, OCCUPATION AND BUSINESS ADDRESS.

A. My name is Dr. August H. Ankum. I am a Senior Vice President at QSI Consulting, Inc., a consulting firm specializing in economics and telecommunications issues. My business address is 1261 North Paulina, Suite #8, Chicago, IL 60622.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE.

A. I received a Ph.D. in Economics from the University of Texas at Austin in 1992, an M.A. in Economics from the University of Texas at Austin in 1987, and a B.A. in Economics from Quincy College, Illinois, in 1982.

My professional background covers work experiences in private industry and at state regulatory agencies. As a consultant, I have worked with large companies, such as AT&T, AT&T Wireless and MCI WorldCom ("MCIW"), as well as with smaller carriers, including a variety of competitive local exchange carriers ("CLECs") and wireless carriers. I have worked on many of the arbitration proceedings between new entrants and incumbent local exchange carriers ("ILECs"). Specifically, I have been involved in arbitrations between new entrants and NYNEX, Bell Atlantic, U S WEST, BellSouth, Ameritech, VZ, GTE and Puerto Rico Telephone. Prior to practicing as a telecommunications consultant, I

1 worked for MCI Telecommunications Corporation ("MCI") as a senior
2 economist. At MCI, I provided expert witness testimony and conducted
3 economic analyses for internal purposes. Before I joined MCI in early
4 1995, I worked for Teleport Communications Group, Inc. ("TCG"), as a
5 Manager in the Regulatory and External Affairs Division. In this capacity,
6 I testified on behalf of TCG in proceedings concerning local exchange
7 competition issues, such as Ameritech's Customer First proceeding in
8 Illinois. From 1986 until early 1994, I was employed as an economist by
9 the Public Utility Commission of Texas ("PUCT") where I worked on a
10 variety of electric power and telecommunications issues. During my last
11 year at the PUCT, I held the position of chief economist. Prior to joining
12 the PUCT, I taught undergraduate courses in economics as an Assistant
13 Instructor at the University of Texas from 1984 to 1986.

14 Of particular importance to the current proceeding is my extensive
15 background in and experience with cost models, such as those of
16 BellSouth, filed in TELRIC proceedings. A list of proceedings in which I
17 have filed testimony is attached hereto as Attachment AA-1.

18 **Q. PLEASE STATE THE PURPOSE OF THIS TESTIMONY.**

19 A. The purpose of this testimony is to show that, based upon cost-causation,
20 economic, and competitive principles, as well as the parties'
21 interconnection agreements, FDN should not be required to pay BellSouth
22 disconnect non-recurring charges ("NRCs") when BellSouth initiates
23 activity for a customer to be ported back to BellSouth or to a carrier

1 ordering through BellSouth, *i.e.*, a UNE-P or resale provider. The reasons
2 BellSouth should not be allowed to assess these charges are simple: (1)
3 FDN is not the cost causer of the disconnect activities, and (2) application
4 of the service provisioning disconnect charges, in situations in which the
5 customer is simultaneously being disconnected from FDN and re-
6 connected to another switch/network (either as a BellSouth winback
7 customer or as another CLEC's customer), potentially results in over-
8 recovery for BellSouth.

9 It is important to note that, in principle, FDN is only disputing the
10 application of BellSouth's non recurring charges and that FDN is *not*
11 disputing or seeking to re-litigate *the level* of BellSouth's charges as they
12 have been approved by this Commission in Docket 990649A-TP. The
13 testimony does point out, however, that if BellSouth is permitted to
14 continue its current practice of applying inappropriate disconnect charges,
15 then the possibility exists that BellSouth is over-recovering its costs. To
16 rectify this inappropriate over-recovery under BellSouth's current
17 practices, an adjustment in BellSouth's non-recurring charges may be in
18 order.

19 The testimony will separately discuss service ordering and service
20 provisioning charges and activities.

21 The second purpose of this testimony is to show that BellSouth
22 cannot legally separate UNE rates from their associated density zones, as

1 such action is inconsistent with TELRIC principles, the parties'
2 interconnection agreements, and the Commission's orders.

3 DISCONNECT NRCS

4 *A. Overview*

5 **Q. BRIEFLY EXPLAIN THE ISSUE AND SUMMARIZE FDN'S**
6 **POSITION.**

7 **A.** FDN contends that BellSouth's application of disconnect NRCS to
8 winback situations and losses to UNE-P/resale providers is contrary to
9 TELRIC cost-causation principles, anticompetitive, and generally unfair.
10 FDN further argues that BellSouth's practice is unsupported by any
11 Commission order, rule or regulation, or by the parties' interconnection
12 agreement(s).

13 BellSouth appears to believe that CLECs, like FDN, are always the
14 cost causers who must bear the cost of disconnecting a loop in all cases
15 and that BellSouth is never the cost causer and should never bear that cost.
16 In keeping with that apparent belief, BellSouth charges FDN disconnect
17 NRCS when BellSouth wins back a customer or initiates activity for a
18 customer to be ported to a carrier ordering through BellSouth, *i.e.*, a UNE-
19 P or resale provider. FDN's position is that it is not the cost-causer in
20 either scenario and, as such, should not be required to bear the costs of
21 those disconnect activities. Rather, the cost-causer should bear the costs of
22 disconnecting the loop from FDN's network. Thus, when BellSouth wins

1 back a customer, BellSouth should bear the costs of disconnecting the loop
2 from FDN by imputing those disconnect charges to itself; when a CLEC
3 ordering through BellSouth wins an FDN customer, that CLEC or
4 BellSouth should bear the cost.

5 The activities associated with the disconnection of a loop from one
6 carrier and a connection of the loop to another carrier, *i.e.*, a "hot-cut", is
7 essentially a single, synchronous event, which another carrier, not FDN,
8 sets into motion. Moreover, BellSouth may well be over-recovering when
9 FDN loses a customer either to BellSouth or to another carrier, since
10 BellSouth charges FDN and its retail customer in the former instance, and
11 FDN and the other CLEC in the latter situation, for costs associated with
12 what essentially is a single, synchronous event.

13 **Q. PLEASE DESCRIBE FDN'S PROCESS FOR EXECUTING A**
14 **PORT-OUT REQUEST FROM BELL SOUTH.**

15 A. BellSouth initiates the process by e-mailing FDN a request for a Customer
16 Service Record ("CSR") and subsequently sends FDN a Local Service
17 Request ("LSR") for the disconnection. FDN verifies the information on
18 the LSR and if it does not clarify or reject it, FDN processes the LSR and
19 sends BellSouth a Firm Order Confirmation ("FOC"), which tells
20 BellSouth that FDN has received the LSR and confirms a due date for the
21 port-out. FDN then builds a subscription in the NPAC database to concur
22 with BellSouth's release subscription. BellSouth performs the physical
23 work necessary to effectuate the hot-cut, FDN verifies with BellSouth that

1 the disconnection has been completed, FDN makes sure FDN's channel
2 pairs are freed-up, and FDN removes the customer's telephone number
3 from its switch.

4 **Q. HOW DOES BELLSOUTH PERFORM A HOT-CUT OF THE**
5 **CUSTOMER FROM FDN TO BELLSOUTH?**

6 A. The core activity that takes place is simply the disconnection of the cross-
7 connect jumper on the Main Distribution Frame that connects the loop to
8 FDN's network, and the connection of a jumper connecting the loop to the
9 BellSouth switch. FDN contends the disconnection of the loop from FDN
10 and the re-connection of a loop with BellSouth is essentially a single,
11 synchronous event.

12 **Q. IS IT YOUR UNDERSTANDING THAT THE ORDERING**
13 **ACTIVITY FDN SEES IS THE SAME WHEN BELLSOUTH**
14 **SUBMITS AN LSR TO FDN ON BEHALF OF A RESALE OR UNE-**
15 **P PROVIDER?**

16 A. Yes.

17 **Q. IS FDN ABLE TO DETERMINE WHETHER CUSTOMERS THAT**
18 **PORT-OUT ULTIMATELY TAKE SERVICE FROM BELLSOUTH**
19 **OR WHETHER THEY TAKE SERVICE FROM A RESALE/UNE-P**
20 **PROVIDER ORDERING THROUGH BELLSOUTH?**

21 A. No. FDN has *no* visibility into BellSouth's systems that would enable it to
22 know whether the customer chose to take service from BellSouth or from

1 a CLEC ordering through BellSouth. FDN believes, however, that a large
2 percentage of those port-outs are BellSouth winbacks and that a small
3 percentage of those losses are to resale and UNE-P providers ordering
4 through BellSouth. FDN maintains that it should not pay disconnect NRCs
5 in either situation because FDN is not the cost causer in either case. FDN
6 contends that when a customer ports-out to a CLEC ordering through
7 BellSouth, the cost of disconnecting the loop from FDN's switch should
8 be borne by that CLEC or BellSouth because FDN is not the cost causer.
9 Another carrier initiates the porting activity (BellSouth or the CLEC
10 ordering through Bell), and BellSouth is in the best position to know to
11 whom FDN loses the customer. And regardless of whether it's a
12 BellSouth winback or a customer migrating to a reseller or UNE-P
13 provider, FDN performs the same activities.

14 **Q. IS THE PROCESS DIFFERENT FROM WHEN FDN INITIATES**
15 **THE DISCONNECT?**

16 **A.** Yes. For example, when an FDN customer wants to disconnect one line
17 but keep service on several other lines, FDN submits the request to
18 BellSouth through the standard service ordering process. And, in those
19 cases, FDN pays the appropriate disconnect NRCs.

1 Q. WHAT DOES BELLSOUTH CHARGE FDN FOR PHYSICALLY
2 DISCONNECTING A LOOP FROM FDN'S FACILITIES WHEN
3 BELLSOUTH WINS BACK A CUSTOMER OR WHEN A UNE-
4 P/RESALE CARRIER WINS AN FDN CUSTOMER?

5 A. BellSouth charges, and FDN disputes, the following NRCs associated with
6 physically disconnecting a customer from FDN's facilities: UEAL2
7 \$63.53 (SL2 loop) and \$25.62 (SL1 loop); PE1P2 (cross-connect) \$5.74;
8 SOMAN (service order - manual) \$1.83. FDN believes that BellSouth
9 assesses the same NRCs regardless of whether it's a BellSouth winback or
10 a loss to a UNE-P/resale CLEC because FDN sees only the loop, cross-
11 connect, and service order NRCs described above reflected on its bills.

12 As will be discussed below, the application of BellSouth's service
13 ordering and service provisioning charges are inappropriate where it
14 concerns BellSouth initiated activities.

15 *B. Service Ordering Disconnect Charges—FDN Never*
16 *Submits A Service Order*

17 Q. PER BELLSOUTH'S COST STUDY FILED WITH THE
18 COMMISSION IN DOCKET NO. 990649A-TP, WHAT COSTS ARE
19 THE SERVICE ORDERING CHARGES DESIGNED TO
20 RECOVER?

21 A. The non-recurring service ordering charges are designed to recover the
22 costs incurred by BellSouth when a CLEC places a service order to
23 BellSouth with a request for disconnecting a loop or loops for a customer.

1 Q. WHERE IT CONCERNS A BELL SOUTH INITIATED
2 DISCONNECT FOR A WINBACK, DOES FDN PLACE A
3 DISCONNECT ORDER WITH BELL SOUTH?

4 A. No. FDN does not place a disconnect order with BellSouth.

5 Q. WHERE IT CONCERNS A BELL SOUTH INITIATED
6 DISCONNECT FOR ANOTHER CLEC, DOES FDN PLACE A
7 DISCONNECT ORDER WITH BELL SOUTH?

8 A. No. FDN does not place a disconnect order with BellSouth.

9 Q. GIVEN THAT FDN DOES NOT PLACE A SERVICE ORDER
10 WITH BELL SOUTH, ARE THE COMMISSION APPROVED
11 SERVICE ORDER CHARGES REFLECTIVE OF THE
12 SITUATION HERE?

13 A. No. BellSouth's cost studies, upon which the Commission ultimately
14 (though after modifications) approved the service ordering charges, reflect
15 costs associated with CLECs placing service orders through BellSouth's
16 service ordering systems. The costs identified in those studies are not
17 incurred by BellSouth in the disputes at bar. As mentioned previously,
18 FDN does not submit a service order to BellSouth. Rather, FDN sees a
19 BellSouth order submitted to FDN via email. When FDN responds to
20 BellSouth, FDN's response is via email as well. No FDN-initiated order
21 flows through BellSouth's OSS. (As mentioned in FDN's Petition, I note
22 that FDN should not have to submit an order for BellSouth to stop billing

1 FDN for loops FDN no longer uses as a result of BellSouth (or a carrier
2 ordering through BellSouth) taking an FDN customer.)

3 **Q. WERE BELLSOUTH'S SERVICE ORDERING CHARGES**
4 **APPROVED BASED ON THE PRINCIPLE OF COST**
5 **CAUSATION?**

6 A. Yes. In general, all charges approved under the FCC's TELRIC
7 methodology, as identified in the FCC's Local Competition Order, should
8 reflect the cost causation process.

9 **Q. IS BELLSOUTH'S APPLICATION OF THE NONRECURRING**
10 **SERVICE ORDERING CHARGES INCONSISTENT WITH COST**
11 **CAUSATION PRINCIPLES?**

12 A. Yes. First, as discussed, FDN never submits a service order for
13 disconnection through BellSouth OSS in the situations under protest.
14 Second, whatever internal costs that BellSouth may incur in processing a
15 winback customer (or a customer that desires to migrate to another
16 CLEC), those costs are not caused by FDN. (The service provisioning
17 costs, such as those associated with establishing cross-connects, testing,
18 travel, etc., are discussed below.) As such, it would be inappropriate to
19 impose service ordering charges on FDN and to recoup those internal
20 costs from FDN.

21 In a winback situation, BellSouth is the cost-causer because
22 BellSouth set into motion the chain of activities associated with migrating
23 the customer and it is the company that will reap the benefits of those

1 activities. Following standard economic principles, it is important,
2 therefore, that BellSouth incurs the burden of the costs associated with
3 those activities. Only if BellSouth is forced to weigh the costs and
4 benefits of its actions – as companies are in competitive markets – can the
5 Commission expect a socially optimal outcome. This notion is, as noted, a
6 straightforward application of basic economic principles: free market
7 principles work, among other reasons, because companies face the costs
8 and benefits of their actions.

9 **Q. DOES FDN INCUR ITS OWN INTERNAL COSTS FOR**
10 **PROCESSING BELL SOUTH'S REQUEST FOR**
11 **DISCONNECTING A CUSTOMER?**

12 A. Yes. When BellSouth places an order with FDN with a request to port out
13 an existing FDN customer, FDN incurs its own internal costs for
14 processing the order.

15 **Q. PLEASE DISCUSS THE FDN ACTIVITIES AND PROCESSES**
16 **THAT ARE INVOLVED WHEN BELL SOUTH PLACES A**
17 **SERVICE ORDER WITH FDN?**

18 A. FDN processes the BellSouth generated service order in which BellSouth
19 is requesting the loop/customer disconnection activities. This generally
20 involves the following steps. First, FDN receives a request for a Customer
21 Service Record ("CSR") from BellSouth. Based on this CSR, FDN
22 checks and validates the customer profile (number of lines, features,
23 whether there is a term contract, etc.) After feedback is provided to

1 BellSouth, FDN receives and processes an LSR from BellSouth which
2 triggers the actual customer migration and involves FDN's submission of
3 notice to the regional NPAC database. Further internal costs for FDN
4 consists of updating its billing systems and switches to reflect that a
5 customer is disconnected and is no longer using a port (and associated
6 features) on the FDN switch facilities.

7 **Q. DOES FDN CHARGE BELL SOUTH OR CLECS IN ORDER TO**
8 **RECOVER THOSE INTERNAL COSTS?**

9 **A.** No. FDN does not currently charge BellSouth for these types of costs. A
10 proposal to assess such charges is discussed below as an *alternative* in the
11 event that the Commission permits BellSouth to continue to apply
12 disconnection charges in winback situations or in situations in which
13 BellSouth requests loop disconnection on behalf of its wholesale
14 customers, such as UNE-P providers or resellers.

1 *C. Service Provisioning Disconnect Charges – BellSouth*
2 *Ignores Cost Causation and is Potentially Over-Recovering*

3 Q. WITH RESPECT TO THE SERVICE ORDERING CHARGES,
4 YOU HAVE DEMONSTRATED THAT BELL SOUTH (OR
5 ANOTHER CLEC), AND NOT FDN, IS THE COST CAUSER IN
6 THE SITUATION OF WINBACKS OR CUSTOMER MIGRATION
7 TO ANOTHER CLEC. IS THIS OBSERVATION ALSO TRUE
8 FOR THE DISCONNECT PROVISIONING ACTIVITIES?

9 A. Yes. It is BellSouth that initiates all the activities (either on its own
10 accord in case of a winback, or for another CLEC). As such, it is another
11 carrier and not FDN that is the cost causer for the disconnect activities and
12 costs. These situations are distinct from those in which FDN on its accord
13 initiates a request for a service disconnect, *e.g.*, where an FDN customer
14 would like to disconnect service on one line but keep service on several
15 others. In situations where FDN initiates disconnects, FDN would be the
16 cost causer and FDN does not dispute the application of legitimate
17 disconnect charges in those situations.

18 Q. UNDER THE FCC'S TELRIC METHODOLOGY, SHOULD THE
19 COST CAUSER PAY?

20 A. Yes. Under the FCC's TELRIC methodology, as identified in the FCC's
21 Local competition Order, it is the cost causer that should bear the burden
22 of cost recovery. In the situations in which FDN is disputing the

1 disconnect charges, the cost causer is BellSouth (or another CLEC for
2 whom BellSouth is disconnecting the customer from FDN's network).

3 **Q. WHEN BELLSOUTH ASSESSES FDN DISCONNECT**
4 **PROVISIONING CHARGES IN A WINBACK SITUATION OR**
5 **WHEN THE CUSTOMER MIGRATES TO ANOTHER CLEC,**
6 **DOES BELLSOUTH POTENTIALLY OVER-RECOVER ITS**
7 **COSTS?**

8 A. Yes. The activities that BellSouth performs when disconnecting a loop are
9 for the most part the same as, and performed simultaneously with, the
10 activities that BellSouth performs to connect a loop. For example, the
11 activity of disconnecting a jumper for a BellSouth UNE loop serving a
12 FDN customer from the main distribution frame ("MDF") and the
13 reconnecting of the jumper to connect the loop to BellSouth's serving
14 facilities are simultaneous activities that take place at the same point in
15 time. Thus, if the Commission permits BellSouth the inappropriate
16 application of disconnect charges in these situations, then BellSouth will
17 potentially over-recover the costs of disconnecting the FDN loop.

18 **Q. COULD YOU PLEASE PROVIDE A SPECIFIC EXAMPLE OF A**
19 **COST THAT BELLSOUTH COULD BE OVER-RECOVERING.**

20 A. Yes. The cost study support for BellSouth connect and disconnect charges
21 has been provided to FDN and it identifies a number of activities and costs
22 that will likely be over-recovered. Specifically, the cost study support
23 provides for separate and specific minutes of CO installation and

1 maintenance Field -- Ckt & Fac work for connect orders and disconnect
2 orders. These activities pertain to work done in the central office and out
3 in the field for connecting and disconnecting customers. I believe that
4 when the Commission approved BellSouth's non-recurring charges (and
5 cost studies), with necessary modifications, it envisioned that each of these
6 activities would occur as standalone activities (i.e., the disconnect
7 activities would take place at a different point in time than the connect
8 activities.) In the disputed situations, the work occurs simultaneously.
9 Thus, to allow BellSouth to charge as if these activities are performed
10 independently and at separate occasions -- while in fact the work is done
11 once -- is to permit over-recovery.

12 **Q. ARE YOU SAYING THAT BELL SOUTH IS OVER-RECOVERING**
13 **BECAUSE WHEN IT IS DISCONNECTING A CUSTOMER FROM**
14 **FDN TO MIGRATE THAT CUSTOMER TO ANOTHER**
15 **CARRIER, IT CHARGES BOTH FDN AND ANOTHER CLEC?**

16 **A.** Yes. While BellSouth is charging FDN disconnect charges (for moving
17 jumper cables) it may also charge other CLECs to recover the costs for
18 connecting jumpers to its facilities. To the extent that these two charges
19 pertain to the same activity - moving the jumpers - BellSouth is over-
20 recovering.

21 **Q. IS THE SAME TRUE WHEN BELL SOUTH MOVES THE**
22 **JUMPERS TO DISCONNECT THE FDN LOOP AND**

1 RECONNECT IT TO ITS OWN SWITCH FOR A BELLSOUTH
2 WINBACK CUSTOMER?

3 A. In principle, yes. For a winback customer, BellSouth has to move jumpers
4 to disconnect the loop from FDN's network and to connect them to its
5 own network. Thus, BellSouth is charging FDN for activities that it
6 performs for its own winback customer. To the extent that BellSouth is
7 charging that customer retail line-connection charges (though BellSouth
8 might possibly waive those charges under a winback program), or is
9 otherwise recovering those costs, BellSouth is again likely over-
10 recovering.

11 Q. IF BELLSOUTH WAIVES THE RETAIL LINE-CONNECTION
12 CHARGES FOR A WINBACK CUSTOMER AND IMPOSES
13 DISCONNECT CHARGES ON FDN, WOULD FDN IN EFFECT BE
14 FORCED TO FINANCE ITS OWN DEMISE?

15 A. Yes. First, given that FDN is not the cost causer (and has its own internal
16 costs for which it does not charge BellSouth) it is inappropriate to charge
17 FDN at all. Further, if BellSouth is allowed to impose disconnect charges
18 on FDN, then FDN will in effect be forced to finance its own demise.
19 That is, FDN would be forced to pay for BellSouth's winback programs
20 under which BellSouth is then able to waive line-connection charges.

21 Q. PLEASE EXPLAIN IN MORE DETAIL WHY BELLSOUTH IS
22 THE COST-CAUSER IN THESE INSTANCES FOR BOTH THE

**COSTS THAT BELLSOUTH INCURS AND THE COSTS THAT
FDN INCURS.**

A. BellSouth is the cost-causer because it initiates the disconnection of the customer from FDN, just like FDN is the cost-causer when it wins a customer from BellSouth. The notion that the carrier initiating the migration of the customer is the cost causer is in fact acknowledged by BellSouth itself. In Docket No. 030851, with apparent reference to BellSouth's NRCs, BellSouth witness Milner stated that "the CLEC will incur costs associated with the hot cut *to disconnect the loop serving the customer from BellSouth's switch* and then re-connect the loop to the CLEC's switch." The logical extension of this argument is that in the reverse situation – when BellSouth reclaims the customer – BellSouth is the cost causer and BellSouth has to incur the costs of disconnecting the customer from the FDN switch. Underscoring this symmetry, BellSouth witness Milner stated that the same work steps are involved in reverse when a customer returns to the ILEC. (Rebuttal testimony at p.13, lines 14-16) . Indeed, Mr. Milner's testimony in Docket 030851-TP arguably supports the notion that the disconnection and re-reconnection is a single, synchronous event and that the "winning" carrier is the cost-causer, and therefore should rightfully bear the costs of obtaining a new customer.

Q. **IS IT ANTICOMPETITIVE FOR BELLSOUTH TO ASSESS
DISCONNECT NRCS WHEN IT WINS BACK A CUSTOMER**

1 **FROM FDN OR WHEN ANOTHER CLEC WINS A CUSTOMER**
2 **FROM FDN?**

3 A. Yes. Instead of imputing those costs to itself, BellSouth improperly
4 imposes disconnect NRCs upon the CLECs that suffer the port out,
5 thereby defraying some of the costs of BellSouth's winback incentive
6 programs, including its Key Customer and other promotional programs.
7 Moreover, BellSouth is able to win new customers by waiving retail install
8 charges. While BellSouth willingly foregoes nonrecurring charges on the
9 retail side, it refuses to forego nonrecurring charges on the wholesale side,
10 even though CLECs shouldn't bear the disconnect cost to begin with in
11 these situations. It is obvious that this dynamic is untenable and creates a
12 permanent and troubling imbalance in the competitive process.

13 ***D. Neither the Interconnection Agreement Nor the***
14 ***Commission's Order Specify When BellSouth Is Permitted to***
15 ***Impose Disconnect Charges***

16 **Q. DOES THE INTERCONNECTION AGREEMENT SPEAK TO THE**
17 **CIRCUMSTANCES IN WHICH DISCONNECT NRCS APPLY?**

18 A. No. Nowhere in the Agreement is there a discussion of the circumstances
19 in which the disconnect NRCs apply.

1 Q. DID THE COMMISSION ADDRESS THE APPROPRIATE
2 APPLICATION OF DISCONNECT CHARGES IN DOCKET NO.
3 990649A-TP AS IT CONCERNS WINBACKS?

4 A. No. In the Commission's Final Order on Unbundled Network Elements
5 (PSC-01-1181-FOF-TP), the discussion of disconnect NRCs is limited to
6 pages 412 and 413. Nowhere on those pages is there any mention of the
7 circumstances in which disconnect NRCs apply, much less a discussion of
8 the application of disconnect charges in winback situations. However, to
9 the extent that the Commission applied the FCC's TELRIC methodology,
10 one could reasonably argue that, implicitly, the Commission would have
11 intended the non-recurring charges to apply only in those circumstances in
12 which FDN (or, in general, the CLEC) is the cost causer. To assume
13 otherwise is to assume that the Commission approved charges inconsistent
14 with TELRIC.

15 Q. DID THE COMMISSION ADDRESS THE APPROPRIATE
16 APPLICATION OF DISCONNECT CHARGES IN ITS ORDER IN
17 DOCKET NO. 020119 (BELLSOUTH KEY CUSTOMER
18 DOCKET)?

19 A. No.

E. NRCs – Recommendation

Q. IN LIGHT OF THE FOREGOING, WHAT WOULD YOU RECOMMEND?

A. I recommend that the Commission find that: (1) BellSouth is the cost-causer for disconnect activities and costs associated with situations in which BellSouth wins back a customer from FDN; (2) BellSouth be prohibited from charging FDN disconnect NRCs or other charges where it concerns BellSouth winbacks; (3) BellSouth be prohibited from charging FDN disconnect NRCs or other charges when BellSouth initiates activities on behalf of its wholesale customers, such as UNE-P or resale providers that order through BellSouth; and (4) BellSouth shall credit to FDN, for the period beginning January, 2002, all disconnect NRCs charged to FDN for disconnecting customers as a result of a BellSouth winback or the loss of customer to a UNE-P or resale provider ordering through BellSouth, plus interest and any applicable late payment charges.

Q. DO YOU HAVE AN ALTERNATIVE RECOMMENDATION IF THE COMMISSION PERMITS BELL SOUTH TO CONTINUE CHARGING THE DISCONNECT NRCS FDN HAS PROTESTED?

A. At some point, the Commission should permit CLECs to charge BellSouth reciprocal fees for BellSouth winback-related functions which CLECs perform. Further, the Commission should make certain BellSouth does not over-recover for certain costs. This may be accomplished by reducing the disconnect charges for all costs that are already recovered by

1 BellSouth in install charges (either in wholesale or retail charges) in these
2 types of situations. Last, the Commission should prohibit BellSouth from
3 waiving line installation charges for its retail customers as part of winback
4 programs, lest FDN (and other CLECs) be forced to finance their own
5 demise.

6 **Q. IS THERE PRECEDENT FOR YOUR ALTERNATIVE**
7 **RECOMMENDATION?**

8 A. Yes. On the subject of reciprocity, the Federal Communications
9 Commission ("FCC") in Docket No. WC-02-359, DA 03-3947, found that
10 to the extent Cavalier Telephone demonstrated that it performs tasks
11 comparable to those performed by Verizon-Virginia, it would violate
12 section 251(c)(2)(D) of the Telecommunications Act to allow Verizon to
13 assess a charge on Cavalier but disallow a comparable charge by Cavalier
14 on Verizon.¹

¹ *Petition of Cavalier Telephone LLC Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia, Inc. and for Arbitration*, WC Docket No. 02-359, Adopted December 12, 2003, at ¶ 189.

UNE RATES

1
2 **Q. BRIEFLY EXPLAIN THE ISSUE AND SUMMARIZE FDN'S**
3 **POSITION.**

4 A. FDN contends that BellSouth has violated the Commission's orders and
5 the parties' interconnection agreements by failing to negotiate an
6 interconnection agreement amendment with FDN to incorporate the
7 Commission's new UNE rates and the distribution of wire centers and the
8 density zones to which those rates relate. Instead, BellSouth unilaterally
9 implemented the Commission's orders, but perversely, only implemented
10 the part of the Commission orders that relate to the density zone/wire
11 center changes, thereby splitting the UNE rates from the Commission's
12 deaveraged density zone framework. FDN maintains that, not only is such
13 action unlawful, but that the resulting rates do not comply with the FCC's
14 TELRIC pricing methodology.

15 **Q. PLEASE EXPLAIN THE PROCEDURAL HISTORY**
16 **UNDERLYING THIS DISPUTE.**

17 A. On May 25, 2001, the Commission issued Order No. PSC-01-1181-FOF-
18 TP in Docket No. 990649A-TP, its *Final Order on Rates for Unbundled*
19 *Network Elements Provided by BellSouth* ("Final Order"), which, *inter*
20 *alia*, established UNE rates and zones for BellSouth. The Commission
21 held that the rates shall become effective when existing interconnection
22 agreements are amended to incorporate the approved rates. For new
23 interconnection agreements, the Commission held the rates shall become

1 effective when the agreement is approved. The Commission also ordered
2 BellSouth to refile, within 120 days of the issuance of the Order, revisions
3 to its cost study addressing various cost issues.

4 On September 27, 2002, the Commission issued Order No. PSC-
5 02-1311-FOF-TP, resolving BellSouth's 120-day filing and setting revised
6 monthly recurring UNE rates ("*120-day Order*"). Most germane to the
7 instant matter, however, is that the order also changed the distribution of
8 wire centers and the density zones to which they relate. For instance, the
9 Miami wire center designated as MIAMFLAL, which was formerly a
10 Zone 1 wire center, was moved to Zone 2. The Commission approved the
11 modified rates and closed the docket, ordering the rates to take effect
12 when existing interconnection agreements are amended and the amended
13 agreement becomes effective under the law. It further held that the rates
14 would become effective for new interconnection agreements when the
15 Commission approved the agreement.

16 **Q. DID BELL SOUTH COMPLY WITH THOSE COMMISSION**
17 **ORDERS?**

18 A. No. BellSouth failed to negotiate an amendment with FDN to the parties'
19 then-existing interconnection agreement (the pre-2003 Agreement) as
20 required by the Commission and instead unilaterally implemented the
21 Commission's Order. What is most troublesome is that BellSouth
22 *unilaterally applied only the Commission's new zone framework, i.e., the*
23 *wire centers and the corresponding zones, without also taking the rates*

1 that correspond to those wire centers/zones. For example, the
2 JCVLFLOW wire center moved from Zone 2 to Zone 3 as a result of the
3 Commission's *120-day Order*. Instead of billing FDN for a loop out of
4 that wire center at the Zone 2 rate listed in the pre-2003 Agreement,
5 BellSouth billed FDN at the Zone 3 rate listed in the parties' pre-2003
6 Agreement. Thus, not only did BellSouth unilaterally implement the
7 Commission's new zone structure, they compounded matters by failing to
8 charge the new rates corresponding to those new zones.

9 For avoidance of doubt, FDN is not asserting that BellSouth should
10 have charged FDN the "new" rates and applied the Commission's new
11 zone framework without an amendment to the parties' pre-2003
12 Agreement. Rather, FDN contends that BellSouth cannot implement the
13 Commission's new *zone structure* without an amendment to the pre-2003
14 Agreement because the zone structure is indispensable to and not
15 severable from the Commission's *120-day Order*.

16 It was not until February 5, 2003 (when the parties executed a new
17 Agreement) that BellSouth legally incorporated the rates, terms, and
18 conditions of the Commission's *120-day Order*.
19

1 Q. IS BELL SOUTH RELYING ON A SPECIFIC PROVISION OF THE
2 INTERCONNECTION AGREEMENT AS SUPPORT FOR
3 SEPARATING THE RATES FROM THE ZONES?

4 A. Yes. In its Answer and Counterclaim, BellSouth claims it can separate the
5 rates from the zones based on the following language, which appears as a
6 headnote in the UNE rate sheet of the parties' 2003 Agreement:

7 'The "Zone" shown in the sections for stand-alone loops
8 or loops as part of a combination refers to Geographically
9 Deaveraged UNE Zones. To view Geographically
10 Deaveraged UNE Zone Designations by CO, refer to
11 Internet Website:

12 www.interconnection.bellsouth.com/become_a_clec/html/interconnection.htm.
13

14 In its Answer and Counterclaim, BellSouth asserted that it includes
15 the above-referenced language in the interconnection agreement for the
16 very reason that the deaveraged UNE zones are "subject to change" by the
17 Commission. BellSouth's response implies that it believes that any
18 changes to the deaveraged UNE zone structure made by the Commission
19 are self-executing upon issuance of a Commission order, despite that such
20 a scenario would render the associated new rates (which BellSouth admits
21 require an amendment before they can implemented) unlawful since they
22 would not be TELRIC-compliant.

23 Q. DOES THE PRE-2003 AGREEMENT SAY ANYTHING ABOUT
24 THE UNE RATE ZONES?

25 A. No. There is no reference to zones anywhere in the agreement.

1 Q. - EXPLAIN HOW THE RATES DO NOT COMPLY WITH THE
2 TELRIC PRICING METHODOLOGY ONCE BELL SOUTH SPLIT
3 THE RATES FROM THE ZONE FRAMEWORK.

4 A. Under the FCC's TELRIC methodology, as identified in the FCC's Local
5 Competition Order, rates should be cost based. At this point, the loop
6 rates that BellSouth is assessing FDN no longer stand in relationship to the
7 underlying costs of those facilities. In fact, there is a mismatch between
8 costs and rates. While it is always true that cost based rates reflect only a
9 snap shot in time, the current dispute does not involve a change in costs as
10 those changes are expected to incur. Rather, it concerns a mismatch
11 between the loop rates that BellSouth charges and the UNE loop facilities
12 that FDN uses. This is simply inappropriate.

13 Q. IN LIGHT OF THE FOREGOING, WHAT WOULD YOU
14 RECOMMEND?

15 A. BellSouth should be ordered to refund to FDN, for the period beginning
16 October, 2002, inclusive, through February 5, 2003, all amounts which it
17 overcharged FDN, plus interest and any applicable late payment charges.

18 Q. DOES THE INTERCONNECTION AGREEMENT SUPPORT
19 SUCH A FINDING BY THE COMMISSION?

20 A. Yes. Part A, Section 22.1.6 of the Pre-2003 Agreement states,

21 "[u]pon (i) the discovery by BellSouth of overcharges not
22 previously reimbursed to [FDN] or (ii) the resolution of
23 disputed audits, BellSouth shall promptly reimburse
24 [FDN] in the amount of any overpayment times the

1 highest interest rate (in decimal value) which may be
2 levied by law for commercial transactions, compounded
3 daily for the number of days from the date of
4 overpayment to and including the date that payment is
5 actually made. In no event, however, shall interest be
6 assessed on any previously assessed or accrued late
7 payment charges.”

8 CONCLUSION

9 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

10 A. Yes, it does.

1 BY MR. KASSMAN:

2 Q Ms. Warren, would you please state your name and
3 address for the record.

4 A (By Ms. Warren) My name is Sharon Warren. My address
5 is 2301 Lucien Way, Suite 200, Maitland, Florida.

6 Q By whom are you employed and in what capacity?

7 A FDN Communications and I'm the manager of vendor
8 disputes.

9 Q Have you and Dr. Ankum caused to be prefiled in this
10 case joint revised rebuttal testimony consisting of 30 (sic)
11 pages?

12 A Yes.

13 Q Dr. Ankum, have you and Ms. Warren caused to be
14 prefiled in this case joint revised rebuttal testimony
15 consisting of 30 (sic) pages?

16 A (By Dr. Ankum) Yes.

17 Q Do either of you have any corrections or changes to
18 that testimony?

19 A (By Ms. Warren) No, not at this time.

20 A (By Dr. Ankum) No.

21 Q So if I were to ask each of you the same questions
22 contained in that revised rebuttal testimony, would each of
23 your answers be the same today?

24 A (By Ms. Warren) Yes.

25 A (By Dr. Ankum) Yes, they would be.

1 MR. KASSMAN: FDN moves that the revised rebuttal
2 testimony of Dr. August Ankum and Sharon Warren that was filed
3 on September 2nd, 2004 be entered into the record as though
4 read.

5 COMMISSIONER DEASON: Without objection, it shall be
6 so inserted.

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1 INTRODUCTION

2 Q. PLEASE STATE THE NAMES OF THE PANEL MEMBERS SUPPORTING THIS
3 TESTIMONY.

4 A. The panel members supporting this testimony are Dr. August H.
5 Ankum and Ms. Sharon R. Warren.

6 *Qualifications of Dr. August H. Ankum*

7 Q. PLEASE STATE YOUR NAME, OCCUPATION AND BUSINESS ADDRESS.

8 A. My name is Dr. August H. Ankum. I am a Senior Vice President
9 at QSI Consulting, Inc., a consulting firm specializing in economics and
10 telecommunications issues. My business address is 1261 North Paulina,
11 Suite #8, Chicago, IL 60622.

12 Q. ARE YOU THE SAME DR. AUGUST H. ANKUM THAT PRE-FILED DIRECT
13 TESTIMONY IN THIS PROCEEDING?

14 A. Yes.

15 *Qualifications of Ms. Sharon R. Warren*

16 Q. PLEASE STATE YOUR NAME, OCCUPATION AND BUSINESS ADDRESS.

17
18 A. My name is Sharon R. Warren. I am Manager of Vendor Disputes
19 for FDN Communications. My business address is 2301 Lucien Way,
20 Suite 200, Maitland, Florida 32751.

21 Q. PLEASE DESCRIBE YOUR WORK EXPERIENCE.

22 A. I have 15 years of experience in the telecommunications industry,
23 including 10 years at AMNEX, Inc., a Florida-based interexchange carrier
24 and operator services provider, where I held various positions in both the

1 Network Engineering & Operations and Finance organizations. The last
2 position I held at AMNEX was Director, Network Engineering. In my
3 capacity as Director, Network Engineering, I managed the Network
4 Design staff as well as the Network Auditing staff.

5 I began my employment with Florida Digital Network, Inc. in 1999
6 as a Supervisor, supervising the network provisioning and auditing teams.
7 Since 2002 I have been responsible for managing vendor disputes and
8 other projects for FDN's Finance department. Currently, I am responsible
9 for maintaining dispute and adjustment databases on a monthly basis,
10 working with vendors to ensure disputes are resolved and credits are
11 issued in timely fashion, and working with auditors to ensure disputes are
12 accurately identified and filed with the appropriate vendors.

13 **Q. PLEASE STATE THE PURPOSE OF YOUR TESTIMONY.**

14 **A.** The purpose of this testimony is to rebut the claims made by
15 BellSouth Telecommunications, Inc.'s ("BellSouth") in its pre-filed direct
16 and supplemental direct testimony in this docket. Specifically, our
17 testimony will address the following:

- 18 • BellSouth's allegations that Florida Digital Network, Inc. d/b/a
19 FDN Communications ("FDN") is attempting to circumvent its
20 obligations under the parties' Interconnection Agreements
21 regarding disconnect NRCs and UNE rate zone changes;
- 22 • BellSouth's claims relative to the disconnect NRC issue that FDN,
23 rather than BellSouth, is the cost causer;

- BellSouth's argument that, as a matter of law, FDN should be precluded from raising the disconnect NRC issue in this proceeding.

Further, FDN will discuss BellSouth's responses to FDN's interrogatories and requests for production of documents. We will demonstrate that the activities BellSouth identifies in those responses for migrating customers, in situations such as BellSouth's winbacks, are virtually all associated with service installation and service activation required for BellSouth's own winback customers. FDN should not be required to pay for these activities. Also, FDN will demonstrate that BellSouth does, in fact, already charge its own end-users for these activities and should not be allowed to double recover its costs.

Lastly, we will address BellSouth's testimony on rate zone changes and BellSouth's claim that no contract amendments are required to the Interconnection Agreement to implement UNE rate zone changes.

Q. PLEASE STATE YOUR RECOMMENDATIONS.

A. FDN's recommendations remain as stated in its direct testimony.

DISCONNECT NRCS

Q. Overview --- FDN is not seeking to circumvent paying appropriate disconnection charges

Q. DOES BELL SOUTH CAVALIERLY DISMISS FDN'S VALID CLAIMS?

A. Yes. For example, on page 2 of her testimony, BellSouth witness Kathy K. Blake states: "To put it simply, FDN is attempting to circumvent

1 its obligation to pay contractually agree upon rates and charges." This
2 response is unfair and incorrect.

3 **Q. IS FDN SEEKING TO "CIRCUMVENT" ITS OBLIGATION TO PAY**
4 **APPROPRIATELY APPLIED CHARGES?**

5 **A.** No. As noted in FDN's Direct Testimony, FDN is not seeking to
6 re-litigate Commission established rates. Also, FDN is perfectly willing to
7 pay BellSouth's Commission approved non-recurring charges where those
8 charges are applied appropriately. Clearly, FDN will pay all appropriate
9 disconnect charges when FDN initiates a request to BellSouth to
10 disconnect an FDN customer.

11 **Q. WITH RESPECT TO THE NONRECURRING CHARGES, PLEASE BRIEFLY**
12 **STATE AGAIN WHY BELL SOUTH'S APPLICATION OF DISCONNECT**
13 **CHARGES ARE NOT APPROPRIATE?**

14 **A.** As discussed in more detail in FDN's Direct Testimony, BellSouth
15 bills FDN NRCs associated with BellSouth winbacks and customer
16 migrations to third party CLECs ordering through BellSouth. This is
17 inappropriate for a number of reasons. First, FDN is not the cost causer
18 associated with the activities that BellSouth performs when a customer
19 migrates from FDN to BellSouth's network as a result of a winback.
20 Specifically, BellSouth performs a large number of activities to install and
21 activate service for its winback customer. FDN should not be required to
22 pay for those activities. Further, BellSouth often charges its winback
23 customers installation charges for these very same activities. This creates

1 the likelihood that BellSouth double recovers its costs. This too is
2 inappropriate.

3 FDN argues that the Commission approved disconnect charges for
4 situations in which a CLEC initiates a request to disconnect a customer or
5 facility does not include winbacks or port-outs to a UNE-P carrier, but
6 rather instances in which, for example, customers with three lines want to
7 disconnect one line, or situations in which a customer moves outside of a
8 carrier's footprint and therefore must take service from a different
9 provider. FDN does not believe that the Commission contemplated the
10 application of disconnect charges in winback situations. Indeed, the cost
11 studies that were filed by BellSouth do not even remotely reflect the
12 situations of BellSouth winbacks. Again, from BellSouth's own responses
13 to interrogatories and requests for the production of documents (to be
14 discussed below) it is clear that virtually all of the activities BellSouth
15 identifies as disconnect activities are in fact associated with the
16 *simultaneous installation of service for, say, BellSouth's winback*
17 *customer.*

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18 In what follows, we will first discuss why BellSouth misapplies the
19 cost causation principle in defense of its inappropriate practices. Next, we
20 will discuss in more detail BellSouth's responses to interrogatories and
21 requests for production of documents to demonstrate that the disconnect
22 charges are inappropriately applied.

1 **R. BellSouth Misapplies the Cost Causation Principle**

2 **Q. DOES BELL SOUTH DISAGREE WITH FDN'S CLAIM THAT FDN IS NOT THE**
3 **COST CAUSER WHEN IT HAS NOT INITIATED THE DISCONNECT**
4 **ACTIVITIES?**

5 **A.** Yes. Discussing the cost causation principle and its implications for the
6 current proceeding, Ms. Blake states the following:

7 FDN essentially asserts that it is not the cost causer of
8 disconnection orders that it does not actually issue. FDN
9 is fundamentally advocating a position that seeks to
10 eliminate nonrecurring disconnection charges.

11 She then goes on to explain her understanding of the cost causation
12 principle:

13 The act of separating installation and disconnection
14 charges, however, does not change the fact that the
15 disconnection costs are caused by the initial order for
16 CLEC service. In other words, when FDN places an order
17 for a UNE loop from BellSouth, there are costs incurred
18 by BellSouth in performing the work activities to attach
19 the loop to FDN's switch (i.e., installation charges).
20 Similarly, if a customer chooses later to return to
21 BellSouth (or another CLEC), there are costs involved to
22 disconnect the loop from FDN's switch (i.e., disconnect
23 charges). None of these costs would have been incurred
24 to begin with but for FDN's initial service order.

25 **Q. PLEASE COMMENT ON MS. BLAKE'S TESTIMONY.**

26 **A.** Ms. Blake's testimony misses the point. First, I agree with Ms.
27 Blake's general discussion of the cost causation principle and with the
28 conclusion that FDN is responsible for the costs associated with ordering,
29 installing the UNE loop. Again, FDN agrees that it should pay charges
30 relate to disconnection only in a non-winback or non-port out situation.

1 However, I disagree with Ms. Blake that this observation disposes of the
2 dispute. The reasons are as follows:

3 First, Ms. Blake's testimony addresses a situation in which FDN
4 orders the UNE loop and then FDN subsequently orders a disconnect of
5 the UNE loop (in the examples we've cited above). Those are not the
6 situations which are the subject of the instant dispute. Rather, what is at
7 issue here are the disconnect NRCs that BellSouth bills FDN in a winback
8 situation. Furthermore, BellSouth has misunderstood FDN's arguments as
9 hinging on which party issues the disconnect order. Currently, BellSouth
10 issues the disconnect order when it takes back a customer from FDN.
11 However, FDN's maintains that regardless of which party issues the
12 disconnect order, FDN should not be charged for activities associated with
13 migrating the customer to BellSouth or a carrier ordering through
14 BellSouth. For avoidance of doubt, FDN contends that it should rightfully
15 pay disconnect charges only in non-winback or non-port out situations
16 (e.g., a customer that wants to disconnect one line of a multi-line account).

17 Second, Ms.Blake's argument that BellSouth would not have
18 incurred such costs but for FDN's initial service order is specious at best.
19 FDN's initial service order is simply not the cause of BellSouth's
20 disconnect costs. When FDN initially orders service from BellSouth via
21 an order for a UNE loop, FDN pays BellSouth for the installation of that
22 loop. In other words, FDN causes BellSouth to incur costs associated with
23 that initial order for a UNE loop and FDN compensates BellSouth through

1 payment of installation NRCs. When BellSouth takes back that very same
2 customer, BellSouth starts a new chain of causation, causing itself to incur
3 costs.

4 Also, as will be demonstrated below, the work activities identified
5 by BellSouth for a customer migration from FDN to BellSouth are
6 precisely the same work activities as those required for installing and
7 activating service to the BellSouth winback customer. Not only is FDN
8 not the cost causer for the service installation and service activation
9 activities in these circumstances, BellSouth is in fact charging the end-user
10 for these same work activities.¹ (See discussion below.)

11 In sum, FDN maintains that Ms. Blake has either failed to apply or
12 has misapplied the cost causation principle to the disputed situations.

13 **Q. DOES MS. BLAKE ARGUE THAT NO "COST CAUSATION, ECONOMIC OR**
14 **COMPETITIVE PRINCIPLES" SHOULD BE ALLOWED TO TRUMP THE TERMS**
15 **AND CONDITIONS OF THE INTERCONNECTION AGREEMENT?**

16 **A.** Yes. On page 5 of her testimony, Ms. Blake states the following:

17 There are no cost-causation, economic or competitive
18 principles embodied in the terms and conditions of the
19 parties' Agreement that limit the application of
20 disconnection charges, nor should FDN be permitted to
21 argue that any such principles trump the terms and
22 conditions of the Agreement

¹ In FDN's direct testimony it expressed the concern that if FDN is required to pay the inappropriate disconnect charges then BellSouth has an added incentive to waive installation charges for its winback customers (since FDN is picking up the tab). In this situation, FDN would in effect be required to finance its own demise.

1 Q. PLEASE COMMENT ON MS. BLAKE'S TESTIMONY.

2 A. We do not believe that FDN is arguing that the "cost-causation,
3 economic or competitive principles" trump the terms of the
4 Interconnection Agreement. Rather, FDN is arguing that the terms and
5 conditions in the Interconnection Agreement *must inherently reflect* cost
6 causation, economic and competitive principles.

7 When the Commission approved various UNE rates in Docket No.
8 990649, it did so consistent with the cost causation, economic and
9 competitive principles embodied in the *Telecommunications Act of 1996*
10 ("96 Act) and the FCC's *Local Competition Order* (implementing the
11 provisions of the 96 Act.) As such, the terms and conditions in the
12 Interconnection Agreement are supposed to reflect cost causation,
13 economic and competitive principles.

14 This also means that in case a dispute arises about whether certain
15 charges in the Interconnection Agreement are appropriately applied, it is
16 useful to fall back on the basic principles on which the Interconnection
17 Agreement is based.

18 Q. DOES MS. BLAKE SUGGEST THAT BECAUSE THE INTERCONNECTION
19 AGREEMENT FAILS TO "LIMIT" WHEN DISCONNECT CHARGES CAN BE
20 IMPLEMENTED, BELL SOUTH IS ALLOWED TO APPLY THOSE CHARGES
21 AND FDN CANNOT OBJECT TO THEM?

22 A. Yes. On page 5 of her testimony, Ms. Blake states the following:

23 It is important to note that the Interconnection Agreement
24 does not *limit* the disconnect charges to orders actually
25 placed by FDN. (Emphasis added.)

1 FDN disagrees with this testimony.

2 **Q. PLEASE STATE WHY YOU DISAGREE WITH MS. BLAKE ON THIS ISSUE.**

3 A. We have already explained why the rates in Interconnection
4 Agreements should be applied only in situations which correspond to the
5 activities for which the Commission approved non-recurring charges.
6 Further, Ms. Blake's contention suffers from the shortcoming that, if taken
7 literally, it would allow BellSouth to apply charges in all situations that
8 were not explicitly precluded in the Interconnection Agreement. That
9 could not possibly be right.

10 First, Ms. Blake's view of how to interpret the Interconnection
11 Agreement would make BellSouth the sole arbiter of what charges to
12 apply in situations not previously envisioned (in fact, it would make
13 BellSouth the sole arbiter on the question of whether certain situations
14 were previously envisioned at all). Second, this would mean that
15 BellSouth could just willy-nilly apply charges to FDN in any situation just
16 because the Interconnection Agreement fails to explicitly preclude
17 BellSouth from doing so. Surely, Ms. Blake's interpretation is
18 unreasonable and unworkable.

S. BellSouth Admits that Its Retail Rates Are Intended to Recover Installation and Disconnect Work Activities

Q. HAS FDN ARGUED IN ITS DIRECT TESTIMONY THAT IN SITUATIONS SUCH AS BELL SOUTH WINBACKS, BELL SOUTH IS LIKELY TO DOUBLE RECOVER CERTAIN COSTS?

A. Yes. In FDN's direct testimony it noted that, because the disconnect activities and the install activities occur simultaneously in situations such as BellSouth winbacks, BellSouth is likely to double recover the costs of certain activities. That is, BellSouth's winback customer and FDN would in effect both be paying for the same set of activities. FDN also argued that a likely double recovery would not take place in situations in which FDN on its own accord is requesting a facility disconnect (the previously cited examples). FDN believes that it is the latter situation -- and not the former -- that should have formed the basis on which the Commission approved its non-recurring disconnect charges.

Q. DOES BELL SOUTH ADMIT THAT IT IS RECOVERING THE INSTALLATION AND DISCONNECT CHARGES FROM ITS OWN END-USERS IN WINBACK SITUATIONS?

A. Yes. On page 7 of her testimony, Ms. Blake testifies:

BellSouth chose to follow the rate structure found in the retail nonrecurring charges. Traditionally, BellSouth charges both the installation and disconnect charges when a retail customer orders service.

Thus, BellSouth admits that its retail charges are intended to recover the costs associated with service installation. Given that the service installation and disconnect activities occur simultaneously in

1 situations such as a BellSouth winback, BellSouth is likely to double
2 recover the costs of certain activities.

3 In a separate section below, we will discuss in more detail the fact
4 that service installation activities and service disconnect activities in
5 situations such as BellSouth winbacks occur simultaneously.

6 **Q. DO YOU KNOW WHAT RETAIL CHARGES BELL SOUTH APPLIES FOR**
7 **SERVICE INSTALLATION TO ITS WINBACK CUSTOMERS?**

8 **A.** FDN has served BellSouth with detailed interrogatories which ask
9 how BellSouth applies its retail charges. BellSouth has objected to these
10 interrogatories. However, we do know from the BellSouth Retail General
11 Subscriber Service tariff that, at a minimum, BellSouth applies line
12 connection charges ranging from \$40.88 for residential customers to
13 \$56.24 for business customers. When customer premises work is
14 required, additional charges apply.

15 Of course, under winback programs, BellSouth has an incentive to
16 waive certain retail charges so as to induce customers to migrate back. I
17 have already discussed in my direct testimony that if FDN is required to
18 pay the inappropriate disconnect charges, FDN is in effect forced to pay
19 for its own demise. That is, if BellSouth is permitted to recover from FDN
20 the cost of migrating the customer, BellSouth would be able to offer even
21 more aggressive winback programs. This dynamic is pernicious and, of
22 course, would seriously undermine the development of local competition.

1 **T. BellSouth's Responses to Interrogatories and Requests for**
2 **Production of Documents Show That the NRCs Are**
3 **Inappropriately Applied**

4 **Q. HAVE YOU REVIEWED BELL SOUTH'S RESPONSES TO INTERROGATORIES**
5 **AND REQUESTS FOR PRODUCTION OF DOCUMENTS?**

6 A. Yes, we have. BellSouth's responses are notable in that they
7 demonstrate the following:

- 8 • Installation and disconnect activities occur simultaneously in
9 situations such as BellSouth winbacks, and, thus, BellSouth is
10 likely to *double recover* certain costs.
- 11 • Certain documents, pertaining to BellSouth's winbacks, were
12 developed after the completion of Docket No. 990649 in which the
13 Commission set the non-recurring disconnection charges at issue in
14 the current proceeding. This suggests that the BellSouth studies
15 could not possibly have been able to reflect the procedures that are
16 currently in place. This also means that the disconnect charges
17 BellSouth applies to FDN in winback situations are not cost based,
18 as required by the FCC's Local Competition Order, in the sense
19 that they do not reflect the procedures described in the documents
20 produced by BellSouth in response to FDN's discovery.
- 21 • BellSouth's discussion of the service order activities demonstrates
22 that FDN is not the cost causer.

23 In what follows, we will discuss each of these issues in more
24 detail.

1 **1. Installation and Disconnect activities occur**
 2 **simultaneously in situations such as**
 3 **BellSouth winbacks – and BellSouth double**
 4 **recovers costs**

5 **Q. PLEASE DISCUSS HOW BELL SOUTH'S RESPONSES DEMONSTRATE THAT**
 6 **THE INSTALLATION ACTIVITIES AND DISCONNECT ACTIVITIES OCCUR**
 7 **SIMULTANEOUSLY IN SITUATIONS SUCH AS BELL SOUTH WINBACKS.**

8 A. In FDN's 2nd Set of Interrogatories (Interrogatory No. 4), FDN
 9 asks of BellSouth the following:

10 **Request:** Referring or relating to instances in which BellSouth
 11 wins back a UNE-L (basic voice grade) customer from FDN,
 12 please identify and describe in detail:

13 (a) all activities performed by BellSouth technicians to migrate
 14 that customer from FDN's network to BellSouth's network.

15 BellSouth response discusses the activities separately for the
 16 central office activities (Central Office Provisioning Procedures) and the
 17 outside plant/filed activities (Field Technician Provisioning Procedures).
 18 Examination of both sets of activities demonstrate that the installation and
 19 disconnect activities occur simultaneously in situations such as BellSouth
 20 winbacks.

21 **Q. PLEASE DISCUSS THE CENTRAL OFFICE PROVISIONING PROCEDURES**
 22 **IDENTIFIED BY BELL SOUTH AND SHOW THAT THESE ACTIVITIES ARE**
 23 **VIRTUALLY ALL RELATED TO SERVICE INSTALLATION.**

24 A. The central office activities identified by BellSouth in the response
 25 to Interrogatory No. 4 are bifurcated between "new" and "reuse." For the
 26 reuse situation (defined by BellSouth as: "to reuse the facilities assigned to
 27 the UNE-Loop"), the activities are the following:

- Orders are received and printed.
 - Jumpers are wired in to the new assignment.
- If the jumpers are wired before the due date:
- The jumpers will be "tied-in" from the new dial tone assignments but not connected to the facility assignment appearance.
 - On the due date the connections going to the UNE-Loop will be removed.
 - On the due date the connections will be completed to the new assignments provided on the order.
- If wired on the due date:
- The jumper(s) is run from the new assignments to the facility assignment appearance.
 - The connections to the UNE-Loop will be removed.
 - The connections will be completed to the new assignments provided on the order.
- Work steps are completed in tracking systems.

It is clear from the above list of activities identified by BellSouth that virtually every step in this process is related to the service installation and service activation that BellSouth performs for its own winback customer. Surely, FDN should not be required to pay for these activities.

There is one activity that appears to be explicitly related to FDN, which is the removal or moving of the jumpers (identified by BellSouth.) However, FDN does not believe that even the costs of this single activity formed the basis of BellSouth's non-recurring studies and Commission approved non-recurring charges.

Q. PLEASE DISCUSS WHY YOU BELIEVE THAT THE COST OF REMOVING THE JUMPERS IS MOST LIKELY NOT REFLECTED IN BELL SOUTH'S NON-RECURRING STUDIES AND CHARGES.

A. As is clear from the above list of activities (identified by BellSouth), the removal or moving of the jumpers is an inherent part of the

1 service installation process in a winback situation. A such, the labor time
2 estimates for removing or moving jumpers as part of an installation
3 process will be different from the labor time estimates for removing
4 jumpers on a *standalone* basis when FDN, or other CLECs, request
5 service disconnection. In the latter situation, the technician needs to
6 perform the activities for the sole purpose of disconnecting a UNE-Loop --
7 in the former, there are economies achieved in simultaneously establishing
8 new jumpers. FDN contends that BellSouth's cost studies and
9 Commission approved non-recurring charges are based on the latter
10 situation in which the jumpers to the UNE-Loop are removed without
11 simultaneously establishing new service.

12 In any event, given that virtually all of the central office activities
13 identified by BellSouth are related to service installation, the removal of
14 the jumpers, as the sole activity that is arguably related to FDN, cannot
15 possibly serve as a justification for the full application of BellSouth's non-
16 recurring disconnect charges.²

² Further, in response to FDN's 2nd Set of Interrogatories (Interrogatory No. 4), BellSouth notes that it identifies disconnect cross-connect charges to FDN of \$6.57 for a 2-Wire Analog Voice Grade SL1 and \$12.01 for a 2-Wire Analog Voice Grade SL2. Thus, the removal of the jumpers in no event can justify the application of BellSouth's other non-recurring charges it imposes on FDN. (See FDN's direct testimony for all the non-recurring charges that FDN disputes.)

1 Q. PLEASE DISCUSS THE FIELD TECHNICIAN PROVISIONING PROCEDURES
 2 IDENTIFIED BY BELL SOUTH AND SHOW THAT THESE ACTIVITIES ARE
 3 VIRTUALLY ALL RELATED TO *SERVICE INSTALLATION*.

4 A. The outside plant/field work activities identified by BellSouth in
 5 response to the aforementioned FDN's Interrogatories are the following:

- 6 • Review the service order, including the access remarks section of
- 7 the order, which may have contact information or other
- 8 information relevant for access.
- 9 • Perform appropriate field work.
- 10 • Contact Recent Change Memory Administration Group (RCMAG)
- 11 to release order in MARCH (a computer system that translates
- 12 line-related service order date into switch provisioning messages
- 13 and automatically transmits the messages to stored Program
- 14 Control Switches.)
- 15 • Contact Central office (CO) Frame to make cross-connects per
- 16 order.
- 17 • Verify BellSouth dial tone using BellSouth Automatic Number
- 18 Announcement (ANAC) code.
- 19 • Complete order in TechNet.
- 20 • Notify Work Management Center (WMC) if order Missed
- 21 Appointment (MA) or Pending Facilities (PF) to prevent customer
- 22 from losing dial tone.
- 23 • On every dispatch the technician should tag the BellSouth lines at
- 24 the demarcation.

25 BellSouth goes on to note: "RCMAG or CO frame will assist the
 26 technician if there are problems with the dial tone."

27
 28 Clearly, all of these activities are related to service installation. In
 29 fact, while for the central office activities (discussed above) there was
 30 possibly one activity more explicitly related to disconnecting FDN's
 31 UNE-Loop, in the above list there is simply no activity that does not relate
 32 to service installation and service activation that BellSouth performs for its
 33 own winback customer. As with the central office activities, FDN argues
 34 that it should not pay for the cost associated with these activities. Just as

1 importantly, FDN does not believe that BellSouth's non-recurring cost
2 studies and non-recurring charges were approved based on the above
3 winback situation.

4 **2. Processes Detailed in Documents Post Docket**
5 **No. 990649-TP Cannot Have Formed the**
6 **Basis for BellSouth's UNE Disconnect Non-**
7 **Recurring Charges**

8 **Q. PLEASE DISCUSS THE DOCUMENTS THAT BELL SOUTH PROVIDED IN**
9 **RESPONSE TO FDN'S REQUESTS FOR PRODUCTION OF DOCUMENTS.**

10 **A.** In response to FDN's 2nd Set of Interrogatories, Interrogatory Nos.
11 4 and 5, BellSouth provided FDN with a number of documents detailing
12 the processes involved in migrating customers from FDN's network onto
13 BellSouth's. BellSouth claims that FDN is the cost-causer of these
14 activities and that its non-recurring charges were approved based on the
15 costs associated with these activities. This claim is incorrect considering
16 that some of the documents have been produced after the completion of
17 Docket 990649A-TP. For example, BellSouth's Central Office Winback
18 Procedures, JA-COWP-001BT, Issue 1, is dated October 2001, months
19 after the Order was issued in May 2001. Other documents are even more
20 current.

1 Q. IS IT NOT POSSIBLE THAT BELL SOUTH SIMPLY UPDATED THESE
2 DOCUMENTS AND THAT OLDER VERSIONS OF THESE DOCUMENTS DID
3 FORM THE BASIS OF BELL SOUTH'S COST STUDIES AND COMMISSION
4 APPROVED NON-RECURRING CHARGES.

5 A. This may be true in some instances. However, BellSouth's cost
6 studies (discussed in FDN's direct testimony) in no way indicate that the
7 work activities in those studies are related to the winback situations
8 described in the Central Office Winback Procedures document. For
9 example, the Central Office Winback Procedures document details various
10 different scenarios such as: (a) a BST telephone number returning to its
11 home switch; (b) a BST telephone number that had ported out and is
12 returning to BellSouth, but to a different serving switch; and, (c) a non-
13 BST telephone number ported in from another local service provider.
14 BellSouth's cost studies, on the other hand, do not appear to differentiate
15 between those three scenarios. As such, FDN maintains that these
16 scenarios were not envisioned at the time that BellSouth designed and
17 filed its cost studies.

1 **3. Responses to Interrogatories Show that FDN**
2 **Is Not the Cost Causer for Service Ordering**
3 **Activities**

4 **Q. YOU HAVE ALREADY DISCUSSED THE SERVICE PROVISIONING ACTIVITIES**
5 **AND DEMONSTRATED THAT THE DISCONNECT ACTIVITIES ARE IN FACT**
6 **INSTALLATION ACTIVITIES. BASED ON FDN'S REVIEW OF BELL SOUTH'S**
7 **INTERROGATORY RESPONSES, IS FDN THE COST CAUSER OF THESE**
8 **ACTIVITIES?**

9 **A. No. In FDN's direct testimony it has already discussed the various**
10 activities that FDN performs for BellSouth when BellSouth places a
11 service order request with FDN. We have also demonstrated that
12 BellSouth – and not FDN – is the cost causer when BellSouth initiates the
13 migration of the customer from FDN to BellSouth's network.

14 FDN has reviewed BellSouth's interrogatory responses and
15 contend that those responses confirm that BellSouth is the cost causer
16 when it initiates the migration of a customer. For example, in response to
17 FDN's 2nd Set of Interrogatories, Interrogatory No. 4, BellSouth
18 acknowledges that BellSouth "sends FDN a request for the CLEC
19 customer's service records per applicable methods and procedures."
20 BellSouth also acknowledges that it "emails or faxes to FDN a request for
21 a firm order confirmation (FOC)." BellSouth imposes further costs on
22 FDN:

23 telephone calls occur on an as needed basis concerning:
24 escalations, invalid clarifications, FOC status, updates on
25 backlog of orders pending FOC, and specific circuits.

1 In short, BellSouth's interrogatory responses show: (a) BellSouth
2 causes the service ordering activities to be initiated; and (b) BellSouth
3 imposes on FDN a variety of possible costs.

4 **Q. SHOULD BELL SOUTH COMPENSATE FDN FOR THE COSTS THAT IT**
5 **IMPOSES ON FDN?**

6 A. FDN has already discussed this issue in its direct testimony. We
7 have noted that if the Commission permits BellSouth to continue to apply
8 non-recurring charges in situations in which FDN is not the cost causer,
9 then the Commission should also require BellSouth to compensate FDN
10 for the various costs which FDN incurs when BellSouth contacts FDN
11 with a service request. There is no reason why FDN should be expected to
12 continue to perform these activities for BellSouth without proper
13 compensation.

14 **III. RES JUDICATA AND COLLATERAL ESTOPPEL**
15 **ARGUMENTS CANNOT JUSTIFY BELL SOUTH'S**
16 **INAPPROPRIATE APPLICATION OF NON-RECURRING**
17 **CHARGES**

18 **Q. HOW DO YOU RESPOND TO BELL SOUTH'S ASSERTIONS THAT**
19 **FDN'S CLAIMS SHOULD BE BARRED BY THE PRINCIPLES OF RES**
20 **JUDICATA AND COLLATERAL ESTOPPEL?**

21 A. FDN will more fully address the legal aspects of these doctrines in
22 its post hearing brief, but FDN's basic position is that BellSouth's *res*
23 *judicata* and collateral estoppel arguments are simply without merit.
24 Although we are not attorneys, we understand that collateral estoppel
25 applies only where issues were actually litigated and determined. FDN

1 maintains that the issue of how and when the disconnect fees apply was
2 never litigated, much less determined, by the Commission in the UNE
3 docket (Docket No. 990649). And while FDN may have tangentially
4 raised the matter of disconnect charges in the winback docket (Docket No.
5 020119), the Commission simply did not address the matter.

6 In its direct testimony, BellSouth contends that FDN had ample
7 opportunity but failed to raise in the UNE cost proceedings the issue of
8 disconnect NRCs in winback situations. Further, BellSouth contends that
9 FDN failed to seek reconsideration of the Commission's final order in
10 Docket No. 990649. As FDN has previously averred, the issue of
11 winbacks was largely unheard of at the time of the UNE cost proceeding.
12 Indeed, as we noted previously in this rebuttal testimony, BellSouth did
13 not even establish its own formal central office winback procedures until
14 October, 2001. Thus, it is highly unlikely that FDN could have raised the
15 issue of disconnect NRCs in winback situations at any time during the
16 UNE cost proceeding. In the alternative, if the Commission finds that
17 FDN could have raised the issue of disconnect NRCs in winback
18 situations during the UNE docket or immediately thereafter, FDN argues
19 that it did not raise the issue because it was (and is) clear to FDN that the
20 Commission ordered disconnect NRCs do not apply to situations in which
21 a customer ports back to BellSouth or ports out to a carrier ordering
22 through BellSouth. Therefore, if BellSouth believes that the Commission
23 ordered disconnect NRCs ~~do~~ apply to winbacks, FDN contends that it is

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1 BellSouth that should have sought reconsideration or clarification of the
2 Commission's order, not FDN.

3 Moreover, FDN contends that this case is no different from many
4 other billing disputes heard by the Commission where the application of a
5 rate or charge is at issue. BellSouth repeatedly disputed application of
6 reciprocal compensation on ISP-bound calls, but those claims were not
7 foreclosed simply because the PSC set reciprocal compensation rates in a
8 UNE proceeding.

9 **IV. UNE RATE ZONES**

10 **Q. DOES BELL SOUTH ARGUE THAT THE INTERCONNECTION AGREEMENT**
11 **DOES NOT NEED A CONTRACT AMENDMENT TO IMPLEMENT UNE RATE**
12 **ZONE CHANGES?**

13 **A.** Yes. On page 9 of her testimony, Ms. Blake states: "The agreement
14 between BellSouth and FDN does not require a contract amendment to
15 implement UNE rate zone changes." She then goes on to explain that the
16 Interconnection Agreement contains a reference to a website that lists wire
17 center designations ordered by the Commission. She concludes that "once
18 the website modification occurred, BellSouth was contractually authorized
19 to bill FDN the rates applicable to the particular UNE zone."

20 **Q. PLEASE COMMENT ON MS. BLAKE'S TESTIMONY THAT NO CONTRACT**
21 **AMENDMENT IS NEEDED TO IMPLEMENT A UNE RATE ZONE CHANGE.**

22 **A.** FDN strongly disagrees with Ms. Blake. First, the reference Ms.
23 Blake provides to the BellSouth website is simply a link to an

1 informational guide. This reference in the contract would not justify
 2 BellSouth to unilaterally implement rate zone changes and amend the
 3 Interconnection Agreement.

4 Contrary to Ms. Blake's testimony, the Change of Law section of
 5 the Interconnection Agreement, (Part A, Section 2.2 of the 1998
 6 Agreement), *requires* that the Agreement be amended. The
 7 Interconnection Agreement provides, in pertinent part, that:

8 [i]n the event the FCC or state regulatory body
 9 promulgates rules or regulations, or issues orders . . .
 10 which make unlawful *any* provision of this Agreement,
 11 the parties *shall* negotiate promptly and in good faith in
 12 order to amend the Agreement to substitute contract
 13 provisions which are consistent with such rules,
 14 regulations or orders. In the event the parties cannot
 15 agree on an amendment within thirty (30) days from the
 16 date any such rules, regulations or orders become
 17 effective, then the parties shall resolve their under the
 18 applicable procedures set forth in Section 23 (Dispute
 19 Resolution Procedures) herein."

20 Further, BellSouth's response implies that it believes any changes
 21 to the deaveraged UNE zone structure made by the Commission are self-
 22 executing, despite that such a scenario would render the associated new
 23 rates (which BellSouth admits require an amendment to be executed
 24 before they can be implemented) unlawful since they would not be
 25 TELRIC-compliant.

26 **Q. MS. BLAKE ALSO RAISES OBJECTIONS RELATED TO THE CAPABILITIES OF**
 27 **BELLSOUTH'S BILLING SYSTEMS, CORRECT?**

28 **A.** Yes. On page 10 of her testimony, Ms. Blake argues that
 29 BellSouth's billing systems are incapable of having a single wire center

assigned to multiple rate zones. She notes: "Moreover, BellSouth's billing systems are not capable of having a single wire center assigned to multiple rate zones." Whether this is true or not, the argument provides no valid justification for BellSouth to unilaterally implement the change in UNE zone designations.

V. AMOUNTS IN DISPUTE

Q. WHAT IS FDN'S VIEW OF THE AMOUNTS IN DISPUTE ASSOCIATED WITH THE DISCONNECT NRCS?

A. The amounts in dispute are as follows:

Q Accounts	\$97,642.84
N Accounts	\$36,489.42
Total	\$134,132.26

Q. WHAT IS FDN'S VIEW OF THE AMOUNTS IN DISPUTE ASSOCIATED WITH THE UNE ZONE CHANGES?

A. The amounts in dispute are as follows:

Q Accounts	\$79,300.14
N Accounts	\$76,340.98
Total	\$155,641.12 ³

³ See Dispute Analysis Spreadsheets, attached hereto as Exhibit AHA/SRW-1.

1 Q. REGARDING THE DISCONNECT DISPUTE, WHY ARE FDN'S Q ACCOUNT
2 AMOUNTS DIFFERENT FROM THE Q ACCOUNT AMOUNTS REFLECTED IN
3 BELLSOUTH'S DIRECT AND SUPPLEMENTAL DIRECT TESTIMONY ?

4 A. The amounts are different because FDN's figures reflect new
5 disputes which FDN has filed with BellSouth. More importantly,
6 however, the amounts are different because BellSouth has been crediting
7 FDN for its disconnect disputes. FDN contends that by crediting FDN for
8 these disputes, BellSouth has tacitly admitted that it is wrongfully
9 assessing disconnect NRCs upon FDN when a customer ports back to
10 BellSouth or ports out to a carrier ordering through BellSouth.

11 Q. REGARDING THE DISCONNECT DISPUTE, WHY ARE THE N ACCOUNT
12 AMOUNTS DIFFERENT FROM THE N ACCOUNT AMOUNTS REFLECTED IN
13 BELLSOUTH'S DIRECT AND SUPPLEMENTAL DIRECT TESTIMONY ?

14 A. The amounts are different because FDN's figures reflect new disputes that
15 are filed as FDN see the charges on its bills. The numbers may also
16 diverge to the extent that BellSouth has overlooked some of the Mpower
17 BANs.

18 Q. REGARDING THE UNE ZONE DISPUTE, WHY ARE THE Q ACCOUNT
19 AMOUNTS DIFFERENT FROM THE Q ACCOUNT AMOUNTS IN BELLSOUTH'S
20 DIRECT AND SUPPLEMENTAL DIRECT TESTIMONY ?

21 A. BellSouth's figures do not reflect the entire universe of disputes that FDN
22 has submitted. For instance, BellSouth's numbers do not reflect FDN's
23 dispute on BAN 904-Q91-0025. The numbers may also diverge to the
24 extent that BellSouth has overlooked some of the Mpower BANs.

1 Q. REGARDING THE UNE ZONE DISPUTE, WHY ARE THE N ACCOUNT
2 AMOUNTS DIFFERENT FROM THE N ACCOUNT AMOUNTS IN BELL SOUTH'S
3 DIRECT AND SUPPLEMENTAL DIRECT TESTIMONY ?

4 A. BellSouth's figures do not reflect the entire universe of disputes that FDN
5 has submitted. The numbers may also diverge to the extent that BellSouth
6 has overlooked some of the Mpower BANs.

7 Q. HOW DO YOU RESPOND TO BELL SOUTH'S CONTENTION THAT FDN HAS
8 NOT BEEN FORTHCOMING WITH CERTAIN INFORMATION?

9 A. Nothing could be further from the truth. FDN has at all times provided
10 BellSouth with all data necessary to resolve these disputes.

11 Q. HAS FDN INCLUDED IN ITS CALCULATIONS ANY DISPUTES RELATED TO
12 OTHER MATTERS?

13 A. Contrary to BellSouth's assertions, FDN's calculations include only the
14 disconnect and UNE zone disputes.

15 VI. CONCLUSION

16 Q. HAS ANYTHING IN BELL SOUTH'S TESTIMONY CAUSED FDN TO CHANGE
17 THE RECOMMENDATIONS STATED IN ITS DIRECT TESTIMONY?

18 A. No. FDN's recommendations remain as previously stated in my direct
19 testimony.

20 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

21 A. Yes, it does.
22

1 BY MR. KASSMAN:

2 Q Dr. Ankum, could you please give your summary for the
3 record?

4 A (By Dr. Ankum) Yes. Your Honors, good morning. I
5 have addressed in my testimony two issues essentially. The
6 first issue concerns the rate zone reclassification. I've
7 addressed it from an economic perspective. And from an
8 economist's perspective, the issue is very simple. The local
9 competition order, the FCC's local competition order
10 implementing the provisions of the Telecommunications Act of
11 1996 is very clear: UNE TELRIC rates should be cost-based.

12 Now, this Commission has deaveraged the UNE loop
13 rates across Florida in three rate zones. So each rate zone
14 has a very distinct UNE loop rate associated with it. Once you
15 sever those rate zones from the UNE loop rates, you no longer
16 have cost-based rates.

17 Now, I'm not addressing the legal questions. I'm not
18 addressing what's in the interconnection agreement. All I'm
19 addressing is from an economic perspective. Severing the rate
20 zones from the UNE loop rates violates the FCC's local
21 competition order.

22 Now, there's also a question of, is this really
23 material? Does it result in a wash? That, of course, is an
24 empirical question, and for that, Miss -- my other witness will
25 address that, Sharon Warren. And she has filed testimony on

1 that. And the answer there is no, it's not a wash, but again,
2 that's an empirical question. If the numbers get large enough,
3 I would say it's a material question or it's a material issue
4 to be addressed by the Commission. I would add to that, it's
5 almost thought illogical. If it were not material, why would
6 FDN be here and expending dollars on litigating this?
7 Obviously it is. Likewise, why would BellSouth be defending it
8 if it were not material? I think that issue almost speaks for
9 itself.

10 The second issue that I'm addressing is the
11 application of the loop disconnect charges. I recommend that
12 the Commission finds that BellSouth is inappropriately applying
13 rates to a situation that is not fit for those rates. My
14 argument is basically fourfold, and I will go through that.

15 First, it's the question of cost causation. I would
16 say that when the Commission analyzed the nonrecurring charges,
17 it looked at stand-alone situations where a CLEC would order a
18 loop and then subsequently in time would order a disconnect for
19 the loop. The Commission looked at the disconnect charges
20 after a CLEC would issue an order for disconnection. The CLEC
21 would be the initiator of all that activity and therefore the
22 cost causer.

23 The winback situation was not envisioned. The
24 winback situation is a very different creature. It has very
25 different activities associated with it. Let me first say,

1 BellSouth has been making the argument that every loop at some
2 point has to be disconnected. I believe that same statement
3 was made in the opening statement by counsel. That, of course,
4 is not true. It's exactly the essence of the winback that the
5 loop does not get disconnected.

6 If this morning a loop belongs to FDN and under a
7 winback program that loop migrates to BellSouth, there's
8 absolutely no reason for any BellSouth technician to be
9 dispatched to go off into the field and do anything. All that
10 happens, all that happens is moving a jumper from FDN's
11 collocation space to the BellSouth switch. All that happens in
12 the central office, and all those activities are related to
13 moving the jumper. The loop itself which goes from the
14 customer's premises to the main distribution frame does not get
15 touched. It's operational in the morning; it's operational in
16 the afternoon; nobody does anything on the loop. So what
17 counsel said and what BellSouth witnesses are maintaining is
18 factually incorrect.

19 Now, I've also asked in discovery for an exhaustive
20 list of all the activities that BellSouth goes through in
21 activating a customer under a winback situation. I've looked
22 at those activities, and I've looked at the cost studies, the
23 very cost studies that the Commission examined in 990649. I've
24 matched those two up, and the claim that the winback situation
25 is in those cost studies or somehow reflected is simply not

1 true. When I matched up those activities to the cost studies,
2 they don't compare. What you do find --

3 COMMISSIONER DEASON: Excuse me. The Commissioner
4 wishes to ask a question at this point.

5 DR. ANKUM: Yes, please do.

6 COMMISSIONER BRADLEY: Yes. I'm interested in this
7 whole issue of the winback program. Does FDN have a winback
8 program?

9 DR. ANKUM: FDN has a program where it tries to
10 acquire customers from BellSouth. Now, given that BellSouth at
11 the initiation of competition had virtually all of the
12 customers, such programs are not called winback because there's
13 nothing to be won back. BellSouth -- FDN, excuse me, started
14 with a zero customer base. FDN tries always to acquire
15 customers, but it does not have a winback program since it's
16 originally BellSouth's customer.

17 MR. KASSMAN: If I could add, Commissioner. I'm
18 sorry. FDN clearly does not have the monopoly power that
19 BellSouth would have, so it's really --

20 COMMISSIONER DEASON: I'm sorry. At this point we're
21 taking testimony from witnesses. We've kind of moved from the
22 phase of opening statements, and I believe I was very lenient
23 in allowing attorneys to answer questions, but I'm going to
24 draw the line at this point.

25 MR. KASSMAN: I'm sorry. Thank you.

1 COMMISSIONER DEASON: Questions are going to be
2 answered by the -- I will give you the opportunity to engage in
3 redirect, and that's your opportunity to have your witness
4 address those matters.

5 DR. ANKUM: If I may add one distinction. Clearly
6 customers move back and forth between the two networks,
7 BellSouth's network and that of the CLEC's, in this case, FDN.
8 There's one big difference and that is the difference that
9 creates an asymmetry and potentially a fatal asymmetry that can
10 lead to the demise of competition.

11 BellSouth is the only carrier that can assess
12 installation and disconnect charges on the other carrier.
13 BellSouth imposes that on FDN. FDN in return cannot impose an
14 installation charge and a disconnect charge on BellSouth. So
15 every time a customer moves back and forth and you hear the
16 cash register ring, click, click, click, those are charges that
17 go from FDN to BellSouth. They never go the other way. Now,
18 the customer may move back and forth, but the charges always go
19 in one direction.

20 It's very obvious to see that if you're BellSouth you
21 say, hey, the faster these customers move back and forth, the
22 more I hear my cash register go click, click, click, the more
23 money is coming in. That's what the winback is about. It is
24 trying to increase the churn rate, the turnover. How long do
25 customers stay with FDN? FDN faces up-front acquisition costs

1 for a customer, its own acquisition for marketing, and then the
2 acquisition costs that consist of the install and the possible
3 disconnect. If the customer stays a very short period, FDN and
4 no other CLEC either can ever recover those acquisition costs.
5 The higher the churn rate, the quicker those CLECs will
6 disappear. The only way to protect against that is to make
7 sure that the charges that are being applied are appropriate.
8 Under the winback, the disconnect charges are not appropriate.

9 And I have some additional points to make in my
10 summary, but I was hoping --

11 COMMISSIONER BRADLEY: Right. So is the charge
12 appropriate then when -- if, for example, the customer migrates
13 from FDN to BellSouth and stays with BellSouth for a period of
14 time but then migrates back to FDN?

15 DR. ANKUM: My testimony is that --

16 COMMISSIONER BRADLEY: Would a charge then be
17 appropriate?

18 DR. ANKUM: Well, let me address twofold. The
19 first are existing nonrecurring charges that the Commission
20 approved in 990649. That is one set of charges. Those charges
21 should only be applied to the situations envisioned in that
22 docket. Are other charges appropriate? Yes. But not those.

23 Now, in that docket the Commission envisioned a
24 situation where a CLEC would order for a customer an unbundled
25 loop and at some point subsequent would disconnect. And those

1 costs are appropriate and FDN is not contesting those charges.

2 Now, when the customer now moves in a winback
3 situation, are there charges, are there certain costs that
4 BellSouth incurs in taking that customer back? And the answer
5 is yes; because I've looked at the discovery and I've discussed
6 that discovery on Pages 18 through 20 of my rebuttal. When
7 BellSouth picks up the jumpers and moves those jumpers to its
8 own switch, clearly it's doing something for FDN, and FDN
9 should be paying for that. However, that is moving the jumpers
10 and that's a jumper disconnect charge of \$5.74. One could
11 argue that in some sense there's an element there that is
12 appropriate, that indeed FDN should be paying for BellSouth
13 touching that jumper for FDN and picking it up. Now, that has
14 nothing to do the loop disconnect charge of \$25.63. The loop
15 doesn't get touched. So that charge is inappropriate.

16 So to succinctly answer your question, are the
17 disconnect charges that BellSouth applies appropriate? My
18 answer there is no, because it's a different situation, and
19 this charge is not meant for this winback situation. Are there
20 charges, other charges that are appropriate? I would say yes,
21 certain charges would be appropriate. FDN does not need to get
22 a free ride. My counsel will kill me for that phrase. But I
23 will say clearly if there was absolutely nothing to apply, you
24 could argue that FDN, to the extent their customer gets
25 disconnected, imposes some work activity on BellSouth, but that

1 only applies to the jumper and only to a fraction of the
2 jumper. So, yes, a charge should apply. What that charge is,
3 I don't know because the Commission has never examined that
4 situation. I would say that charge should never be higher --
5 the upper limit up to that charge should be \$5.74, which is the
6 full cost of disconnecting the jumper.

7 COMMISSIONER BRADLEY: Okay.

8 COMMISSIONER DEASON: You should not exceed what
9 amount again, please?

10 DR. ANKUM: Yes. So first, I've looked at the cost
11 studies.

12 COMMISSIONER DEASON: I'm sorry. Could you tell me,
13 it should not exceed what amount?

14 DR. ANKUM: Oh, I'm sorry. I did not listen to your
15 question carefully. It should not exceed what?

16 COMMISSIONER DEASON: You said that there may be some
17 charge that would be appropriate in a winback situation, and
18 you said that if there were to be a charge, it should not
19 exceed \$5 and --

20 DR. ANKUM: 74 cents, which I believe is at this
21 point the disconnect charge for the cross-connect, which I've
22 also called the jumper -- I use those terms synonymously --
23 which basically is the piece of facility that goes from the
24 main distribution frame to the collo space or connects the loop
25 to those facilities, and then the jumper gets moved so that now

1 the loop is connected to the BellSouth switch. That little
2 piece of facility, even though sometimes it's done
3 electronically but most of the time it's done by hand, that is
4 an activity that BellSouth performs. The disconnect is \$5.74.

5 COMMISSIONER DEASON: Okay.

6 COMMISSIONER BRADLEY: One other question. So it's
7 your opinion that if in the customer's opinion the winback
8 program is economically more advantageous to them, then it's
9 FDN's opinion that it is not the cost causer for the customer
10 migrating from FDN to BellSouth.

11 DR. ANKUM: Let me answer that as follows: First, I
12 think --

13 COMMISSIONER BRADLEY: Are you following --

14 DR. ANKUM: Yes, I am, definitely. Winbacks are
15 good, competition is good. The question of cost causation
16 takes place on two levels. There's cost causation at the
17 retail level, which is what you're addressing; namely, is
18 ultimately the customer that decides to move in between the
19 networks. Does the chain of causation start with that
20 customer? Yes. But the issue that is being addressed here is
21 the relationship between two carriers, which is the wholesale
22 level. So there's cost causation at the wholesale level.

23 Ultimately it's BellSouth that initiates a winback
24 program, and due to that, at some point BellSouth has to go to
25 FDN. It places the service order with FDN and says, FDN, I'm

1 going to take this customer back. Could you please do for me
2 the following things, and FDN goes through that. And then --

3 COMMISSIONER BRADLEY: Okay. But my question is this
4 though, and I'm thinking about competition, is the cost
5 causer -- is the reason why the customer is migrating the
6 winback program, or the fact that they can -- as a result of
7 competition, they can get more bells and whistles for a lesser
8 price?

9 DR. ANKUM: I think that --

10 COMMISSIONER BRADLEY: And my next question would be,
11 are you stating that then as a result of the wholesale costs
12 FDN is unable to compete? It would seem to me that FDN still
13 will have enough of a buffer within their marginal profit to
14 offer the customer a competitive service in order to prevent
15 them from migrating.

16 DR. ANKUM: I think you hit on what I would consider
17 the most critical aspect of this case, which I've called a
18 pernicious dynamic, and I believe that counsel has called it a
19 situation where FDN is forced to finance its own demise.

20 Customers move back and forth depending on where they
21 can get the best deal. Now, if competition is fair, you see
22 two companies going head to head, and then let the best
23 company, and the best company being the company that can offer
24 the best product at the lowest price, let the best company
25 prevail. That's all good and well. However, there's one

1 dynamic here, I think, that undermines that process, and we
2 always have to look at the long run. In the short run, many
3 situations may look advantageous, but if it undermines
4 competition in the long run, the Commission ends up
5 empty-handed.

6 What's going on here? When BellSouth offers a
7 winback situation or approaches a potential winback customer,
8 it oftentimes waives the installation charges. Now, obviously
9 the costs associated with the installation, I've addressed that
10 in Pages 18 and 20 in my testimony; it comes out of the
11 discovery. BellSouth goes through an extensive set of
12 procedures for installing this customer. There's a cost
13 associated with that.

14 If everything works properly, BellSouth should face
15 those costs and be responsible for those costs, and ultimately
16 those costs must be recouped from an end user because there
17 shouldn't be any other place to recoup it or, alternative,
18 BellSouth should eat it. But BellSouth has a third option and
19 that's what I've argued in my testimony. The cost of
20 installing service or initiating service to the winback
21 customer, that cost is being recouped from FDN under the guise
22 of a nonrecurring charge. These activities are not performed
23 for FDN; they're performed for the winback customer. The cost,
24 therefore, is recouped from FDN. So now we have an asymmetry,
25 an unfair asymmetry, and that asymmetry, as is inherent in the

1 word asymmetry, only is bestowed on BellSouth. FDN cannot
2 retaliate.

3 FDN when it has a winback program, quote, unquote,
4 because that term doesn't exist for FDN, but if FDN goes back
5 to that customer and says, okay, I'm going to offer you the
6 same deal as BellSouth did, but guess what? When you come to
7 me, I face installation charges, that's the loop installation
8 charge, which is substantial. It cannot --

9 COMMISSIONER BRADLEY: Right. But I guess what I'm
10 thinking about is a true competitive model. And I'm
11 understanding very clearly what you're stating as it relates to
12 cost, but in a true competitive model that means then that FDN
13 must have some bells and whistles that can be offered to the
14 customer in order to prevent them from migrating.

15 DR. ANKUM: Yes, I think in general the -- even
16 though companies do offer different bells and whistles, the
17 technology is fairly uniform. I think ultimately the bells and
18 whistles that FDN can offer to customers are not going to be
19 radically different than the bells and whistles that BellSouth
20 will offer because it's largely driven by the central office
21 switch, central office technology. FDN, I would think, would
22 not, with respect to your ordinary small business and
23 residential customers, would not have a technological advantage
24 where it can offer more bells and whistles.

25 So after the bells and whistles are pretty much

1 equalized, we're coming down to things like company reputation
2 and price. Given that BellSouth has the advantage here by
3 being able to always charge FDN and FDN cannot charge BellSouth
4 for all these disconnect and installation activities, there's
5 an asymmetry. If technology and bells and whistles are the
6 same and you're competing on price which ultimately can only go
7 down as low as cost, because once the price falls below the
8 cost, you're out of business, if FDN is forced, is saddled with
9 a higher cost structure, you cannot have sustained long-run
10 competition. And that's, I think, what is -- from my
11 perspective as an economist, that's the issue I'd like to bring
12 before you. You cannot have winback programs, inappropriate
13 nonrecurring charges, and long-run competition. These three
14 are mutually incompatible. You have to make a choice as a
15 Commission.

16 COMMISSIONER DEASON: You may conclude your summary.

17 DR. ANKUM: This obviously has cut out a good part of
18 my summary. I'd like to add two more things. The documents
19 that I looked at, the winback documents that BellSouth claims
20 are reflected in the Commission's cost studies are in fact
21 dated post the Commission's final order in 990649. So by
22 definition, they could not have been considered.

23 The last -- actually, yeah, the last point, in
24 Dockets 990649 there was an extensive discussion by the
25 Commission initiated in fact by the parties over the question

1 of when are costs -- when should costs be recovered through
2 recurring charges versus nonrecurring charges, because that's
3 not always obvious. Most costs are incurred up front as a
4 one-time expense. That's true for the loop; that's true for
5 the switch.

6 So when do you recover the full cost in one charge,
7 and when do you recover it as a recurring charge? The
8 Commission laid out a very clear principle, and the Commission
9 was ahead of the curve with many other -- from many other
10 commissions and the FCC. This Commission said if a particular
11 activity and a particular cost is associated with one and only
12 one CLEC, then you better get all your money back from that one
13 CLEC. By contrast, if an activity and a cost benefits multiple
14 CLECs, well, then you should do it through recurring charges.
15 That's not a matter just of economics but also a matter of
16 fairness because if multiple parties benefit, why would you
17 ever place the full cost on one party? That seems unfair.
18 That's like a bunch of people ordering pizza and one person
19 paying. It's good as a treat, but it's not good as something
20 that's mandatory.

21 What we have here is a situation of a reverse hot
22 cut. It is a migration of the customer from FDN to BellSouth.
23 All the activities involved in that migration benefits
24 BellSouth. BellSouth wants to impose on FDN the full cost and
25 the disconnect charge. At a minimum, the Commission should

1 recognize that to the extent FDN benefits, clearly BellSouth
2 benefits more by the Commission's own rule; therefore, more
3 than one CLEC benefits or more than one carrier benefits. In
4 fact, at a minimum two carriers benefit. So these costs and
5 the costs associated with these activities are disqualified as
6 nonrecurring charges.

7 This same principle has been adopted by the FCC in
8 the Virginia order. In the Virginia order, the FCC found
9 exactly the same thing. If more than one carrier benefits, the
10 cost is not a nonrecurring cost. So that's an additional
11 reason for the Commission to reject these nonrecurring charges.
12 This concludes my summary.

13 COMMISSIONER DEASON: Does Ms. Warren have a summary?

14 MR. KASSMAN: I'm sorry?

15 COMMISSIONER DEASON: Does Ms. Warren have a summary?

16 MR. KASSMAN: Yes. Ms. Warren.

17 COMMISSIONER DEASON: Please proceed.

18 MS. WARREN: Good morning, Commissioners. The
19 purpose of my testimony today is to describe the history
20 surrounding the zone and the portback disputes that FDN has
21 filed with BellSouth.

22 The portback disputes began in January 2002 and have
23 been consistently disputed each month thereafter. These
24 disputes occur on two different types of billing accounts that
25 FDN has established with BellSouth. There are the Q accounts

1 which are for the nondesigned loops and the N accounts which
2 are for the designed loops. Over the last two years, there
3 have been numerous discussions with BellSouth regarding these
4 disputes.

5 MS. WHITE: Excuse me.

6 COMMISSIONER DEASON: Yes.

7 MS. WHITE: Excuse me, Ms. Warren.

8 Commissioner Deason, none of what Ms. Warren is
9 testifying to right now is in her rebuttal testimony, and
10 that's the only testimony that Ms. Warren filed.

11 COMMISSIONER DEASON: Okay. There's been an
12 objection that the summary is outside the scope of prefiled
13 testimony. You can either direct me to where it is contained
14 in her prefiled testimony, or you can direct the witness to
15 proceed with other portions of her summary which are contained
16 within her prefiled.

17 BY MR. KASSMAN:

18 Q Ms. Warren, if you can proceed with that portion of
19 your summary which is contained in your testimony, please.

20 A Okay. I'd like the Commissioners to understand that
21 on several occasions the BellSouth representatives that work on
22 the Q accounts had agreed with FDN that disconnect charges do
23 not apply in these winback situations, and as a result of that
24 credits should be issued to FDN. These credits have
25 consistently been given to FDN over the period of the last two

1 years with the total now being over \$135,000.

2 The disputes filed on the N account or the designed
3 loops have routinely been placed in escalated status with
4 BellSouth. The zone dispute is for a specific period of time,
5 beginning October 2002 and ended when FDN and BellSouth entered
6 into a new agreement in February of 2003. The total rate now
7 for the zone dispute is approximately 150,000. And this
8 concludes my summary. Thank you.

9 COMMISSIONER DEASON: Okay.

10 MR. KASSMAN: FDN offers the panel for
11 cross-examination.

12 COMMISSIONER DEASON: Okay. Ms. White.

13 MS. WHITE: Thank you, Commissioner Deason. I have
14 some questions for Ms. Warren.

15 CROSS EXAMINATION

16 BY MS. WHITE:

17 Q Ms. Warren, my name is Nancy White. I'm with
18 BellSouth Telecommunications, and I have some questions on part
19 of your rebuttal testimony. I believe it starts at Page 28 of
20 your rebuttal testimony, Roman Numeral V, "Amounts In Dispute."
21 Do you see that?

22 A (By Ms. Warren) Just a moment.

23 Q It's Page 28, Line 6.

24 A Yes, I have that.

25 Q And from Line 6 through 18, essentially you're just

1 laying out the amounts that are in dispute; is that correct?

2 A Correct.

3 Q Now, does the total amount in dispute associated with
4 the disconnect nonrecurring charges include charges for Georgia
5 billing account numbers?

6 A These numbers did include that.

7 Q They did include that?

8 A They did.

9 Q And what about -- do you know how much of the 134,000
10 represents charges for Georgia billing account numbers?

11 A I would have to go back.

12 Q If you have it handy. If it's something you'd have
13 to calculate, I don't need you to do that.

14 A No, I should have it. In reference to the portback
15 issue, I would say the Georgia accounts would be less than a
16 thousand dollars of that figure, on the Q accounts. And on the
17 N accounts, it would be -- it's really less than \$200. So it's
18 very minimal.

19 Q So of the -- I'm sorry, I didn't mean to interrupt.
20 Of the \$134,000 that is disputed in connection with the
21 disconnect nonrecurring charges, approximately 1,200 or a
22 little bit less of that is for Georgia?

23 A Correct.

24 Q And then let's look at the UNE -- the amounts in
25 dispute for the UNE zone charges. Do you agree that that

1 \$155,000 includes charges for Georgia billing account numbers?

2 A That is correct.

3 Q Can you tell me how much of that 155,000 represents
4 Georgia charges?

5 A Approximately \$5,000.

6 Q Are you asking this Commission to make a decision on
7 those Georgia amounts?

8 A No.

9 Q Let's look at the exhibit attached to your rebuttal
10 testimony, and I believe that FDN may have handed this out as a
11 separate exhibit for the Commission. It's Exhibit 1, I
12 believe, to your rebuttal testimony, and it's a spreadsheet
13 called -- it's labeled "BellSouth, Portback/Zone Issue
14 Analysis; Prepared: 6/4/2004; Prepared By: S. Warren." Do you
15 have that, Ms. Warren?

16 A I have that.

17 Q And that S. Warren is you; right?

18 A Correct.

19 Q Okay. And let's make sure that we're talking about
20 the same thing. The portback, that's the issue on the
21 disconnect nonrecurring charges and the applicability of the
22 disconnect nonrecurring charges; is that right?

23 A Correct.

24 Q Okay. And in that spreadsheet, I guess from what
25 we've just talked about, you would agree with that if you look

1 at the BAN number, which is the first column, that stands for
2 billing account number; is that right?

3 A Correct.

4 Q And that the first three numbers of that would be an
5 area code, represent area code?

6 A That's correct.

7 Q So the 404 and 770 area codes would denote the
8 Georgia billing account numbers; is that right?

9 A Correct.

10 Q And that would be equally correct for the zone change
11 issue on Page 2 of that exhibit; correct?

12 A That is correct.

13 Q Okay. Now, looking at that spreadsheet, I want to
14 talk to you about the fifth and sixth columns. The fifth
15 column on there is labeled "Winnable." Is it correct to say
16 that the term "winnable" in this column means that FDN feels
17 like the dispute is valid and that this is the amount that FDN
18 believes should be credited?

19 A That is the amount we have in dispute. That is how
20 we have placed that amount into our accounting system. We have
21 to categorize the disputes as either winnable or expensed. I
22 would not infer anything else from that. If --

23 Q Do you have -- I'm sorry. I didn't mean to interrupt
24 you if you have more to say.

25 A Actually, if the amount is in dispute as a winnable,

1 it is typically because we do feel like it is a valid dispute.
2 Both of those categories would fall under that same realm, that
3 we feel it's a valid dispute.

4 Q Okay. So I think you have agreed with me that the
5 winnable would mean that you feel the dispute is valid and you
6 feel that that's the amount that FDN believes should be
7 credited; right?

8 A Correct.

9 Q And the expense column, would you agree with me that
10 that means there may be a liability on the part of FDN? And I
11 don't mean that in the -- I'm not asking for a legal opinion,
12 more, I guess, like an accounting type opinion with regard to
13 this spreadsheet, that it's a liability but has not been
14 paid -- it may be a liability but has not been paid to
15 BellSouth.

16 A That is correct.

17 Q Okay. And if you keep going across those columns on
18 that spreadsheet, the next to the last column labeled
19 "winnable," is it correct that that column takes the amount in
20 the outstanding dispute column and subtracts the expense
21 column?

22 A Correct.

23 Q Okay. Now, I'm going to ask you to accept some
24 numbers subject to check, and I'm going to state up front that
25 these are estimates because I'm definitely no mathematician,

1 and even using a calculator I've been known to make many
2 addition mistakes. But if you added up the total portback or
3 disconnect nonrecurring charge numbers, Florida numbers, in
4 your winnable column, would you agree, subject to check, that
5 the amount is around or estimate is around \$34,000?

6 A Yes, subject to check.

7 Q Okay. And subject to check, would you agree that the
8 total disconnect nonrecurring charge Florida amounts in the
9 expense column are approximately \$98,000 to \$99,000?

10 A That's correct, subject to check.

11 Q Okay. And then if you looked at the total
12 outstanding zone change Florida amounts, would you agree,
13 subject to check, that the amount in the winnable column adds
14 up to approximately \$81,000, \$82,000?

15 A That's correct, subject to check.

16 Q And for the total outstanding zone change Florida
17 amounts in the expense column would add up to approximately
18 \$68,000 to \$69,000?

19 A That is correct, again subject to check.

20 Q Now, you've said earlier in answering my questions
21 that you make a determination as to whether something goes in
22 the winnable or the expense column. Can you tell me how do you
23 make that determination?

24 A Typically when we look at a dispute we will determine
25 at that time is it an application, an incorrect application of

1 a rate? It really depends on the different types of disputes
2 as to how that number is placed into our system.

3 Q Well, I mean, is there a -- well, let me try going
4 about it this way. Is there a consistent percentage that you
5 use of the dispute that would always go in the expense column
6 and then a consistent percentage that would go in the win
7 column?

8 A No. It's really not as much a percentage as it is
9 the type of dispute.

10 Q Okay. Tell me, explain to me how the type of dispute
11 governs whether it goes in the expense or winnable column.

12 A When you look at a dispute, in the case of a portback
13 dispute, it's not just that they're applying the incorrect
14 rate. It's that the basis that they're applying the charges is
15 incorrect. At some point we placed moneys in the winnable
16 category, and at some point it's possible that we changed that
17 and placed them in the expense category. That could be for
18 reasons from a finance perspective that really have nothing to
19 do with the dispute.

20 Q Well, let me ask you this. Do you have guidelines,
21 consistent guidelines that say, here's when you put something
22 in the winnable column, and here's when you put something in
23 the expense column?

24 A No, not guidelines that are established. No.

25 Q Okay. What about any kind of governing principles or

1 ideas that this is how it's handled, this is how you put
2 certain amounts in the winnable column and certain amounts in
3 the disputed column?

4 A Again, it goes back to when the auditors review the
5 invoices and they have the disputes, they will sometimes make
6 that determination and then get it approved by the supervisor
7 at that time. We tried to stay consistent in how they do get
8 booked on a month-to-month basis, but there are times when it
9 is changed for various reasons that have nothing to do with the
10 dispute, that the moneys get pushed from either the winnable or
11 the expense category.

12 Q So it's up to the individual auditor to determine
13 whether they believe it should go into the winnable or expense
14 column. Is that a fair statement?

15 A It is at the time when they audit the invoice.
16 However, if by the time it gets to the accounting department
17 and it gets booked, if someone else feels like that should be
18 changed, it will get changed at that time.

19 Q And so it's possible for two auditors to look at the
20 same amount of dollars and the same type of dispute and one say
21 this should go in the -- all of it should go in the winnable
22 column and for the other one to say all of it should go in the
23 expense column and both of them have it go down the track that
24 way.

25 A It is possible, yes.

1 MS. WHITE: Thank you. I have nothing further.

2 COMMISSIONER DEASON: Ms. Mays -- I'm sorry,
3 Commissioner.

4 COMMISSIONER BRADLEY: Did I -- and maybe I didn't
5 hear your answer very clearly. Did I understand you to say
6 that these dollars are in dispute and that FDN is in possession
7 of the winnable dollars as well as the expense dollars?

8 MS. WARREN: That is correct. They are unpaid
9 disputes.

10 COMMISSIONER BRADLEY: Is there language in your
11 contract to deal with this issue?

12 MS. WARREN: There is dispute language in our
13 contract, yes, on how we handle disputes.

14 COMMISSIONER BRADLEY: So what has FDN done to --
15 have you all put the dollars that -- the expense dollars in a
16 separate account until this matter can be sorted out, or is it
17 just being held in your general account?

18 MS. WARREN: They are in a liability account.

19 COMMISSIONER BRADLEY: So how long -- I guess maybe
20 I'm just -- I'll pass.

21 COMMISSIONER DEASON: Okay. Ms. Mays.

22 MS. WHITE: Thank you.

23 COMMISSIONER DEASON: Any further questions?

24 MS. MAYS: No, Commissioner, we have no further
25 questions of this panel.

1 COMMISSIONER DEASON: Okay. Staff.

2 MR. FORDHAM: Staff has no questions, Commissioner.

3 COMMISSIONER DEASON: Okay. Commissioners, any
4 further questions?

5 Redirect.

6 MR. KASSMAN: Thank you, Commissioner.

7 REDIRECT EXAMINATION

8 BY MR. KASSMAN:

9 Q Dr. Ankum, Commissioner Bradley asked you a few
10 moments ago if FDN had a winback program. In your answer you
11 said the NRC charges between the carriers only went one way,
12 with FDN paying BellSouth. In light of that one-way flow of
13 NRCs, once a customer FDN won from BellSouth wants to later
14 leave Bell and come back to FDN, is it practical financially
15 for FDN to pay BellSouth NRCs a second time?

16 A (By Dr. Ankum) Well, they would have to, the way that
17 the current interconnection agreement reads with respect to the
18 installation charge. It's also clear, of course, that if this
19 customer moves back and forth at a high rate, that the
20 installation charges -- and then what BellSouth does, it also
21 imposes disconnect charges, that the combined dollar amount of
22 those charges become so high that it's simply not profitable
23 for FDN to attract those customers. If the customer stays for
24 a short period of time, there are not enough months to recoup
25 those up-front nonrecurring charges.

1 Q So then it's less practical if the customer was not
2 with FDN long enough for FDN to recover the first-time NRC; is
3 that correct?

4 A That's possible too.

5 Q Dr. Ankum, in response to Commissioner Bradley's
6 question on cost causation, you said in a winback scenario
7 where Bell ports to itself an FDN customer, that cost causation
8 can occur on two levels: Retail and wholesale. When a
9 customer leaves the CLEC like FDN for a BellSouth winback
10 offer, who would be in a better position to impose and collect
11 costs associated with the winback from the retail customer, FDN
12 or Bell?

13 A Well, the moment that the customer decides to move
14 from FDN to BellSouth, the customer is no longer an FDN
15 customer. So FDN has simply no means of charging that customer
16 anything at all. It's the BellSouth customer. So BellSouth is
17 both the cost causer and BellSouth is also the party, the
18 carrier that actually has a way of charging the end user that
19 has decided to migrate. Now, in an appropriate economic
20 setting, it will be BellSouth or -- well, it will be the
21 company with the newly acquired customer that would be
22 responsible for recovering the full costs of acquiring that
23 customer. And basically what that amounts to is that BellSouth
24 should be required to charge the installation charges from its
25 own winback customer. In the alternative, BellSouth, if

1 BellSouth opts to not charge the winback customer, BellSouth
2 should simply eat those charges and it should come from the
3 stockholders. BellSouth should not be allowed to use an escape
4 valve and go behind the back of competition and collect these
5 costs from FDN.

6 Q Thank you. Dr. Ankum, you're familiar with
7 BellSouth's prefiled direct and rebuttal testimony that they
8 filed in this matter?

9 A Yes.

10 Q You've reviewed that?

11 A Yes.

12 Q I think, if you recall, there was some discussion
13 in --

14 MS. WHITE: I'm sorry. I'm going to object at this
15 point because I don't believe that this redirect is going to
16 anything that's been asked by any of the Commissioners, and
17 they were the only ones that had questions of Dr. Ankum.

18 COMMISSIONER DEASON: There's been an objection that
19 it appears -- even though the question has not been asked yet,
20 it appears that the question may exceed the scope of the
21 cross-examination. I'm just going to ask you to confine your
22 questions to true redirect, that being in response to
23 cross-examination.

24 MR. KASSMAN: Understood. Thank you. One moment,
25 please. FDN has no further questions.

1 COMMISSIONER DEASON: Okay. All the prefiled
2 exhibits have already been identified and admitted I believe is
3 the case.

4 Thank you. You maybe excused. I appreciate you
5 being here today.

6 DR. ANKUM: Thank you, Commissioners.

7 MS. WARREN: Thank you.

8 (Witnesses excused.)

9 COMMISSIONER DEASON: BellSouth, you may call your
10 first witness.

11 MS. MAYS: Thank you, Commissioner. BellSouth would
12 call Ms. Cindy Clark.

13 COMMISSIONER DEASON: I'll tell you, before we do
14 that, it's probably time for a break. We'll take 15 minutes.

15 (Brief recess.)

16 COMMISSIONER DEASON: Call the hearing back to order.
17 BellSouth, you may call your witness.

18 MS. MAYS: Thank you, Commissioner. Ms. Cindy Clark
19 has already been sworn.

20 CYNTHIA A. CLARK

21 was called as a witness on behalf of BellSouth
22 Telecommunications, Inc., and, having been duly sworn,
23 testified as follows:

24 DIRECT EXAMINATION

25 BY MS. MAYS:

1 Q Ms. Clark, can you give your name and business
2 address for the Commission, please.

3 A Yes. My name is Cynthia Clark. I'm at, located at
4 2300 Northlake Centre Drive in Tucker, Georgia.

5 Q And did you cause to be prefiled in this matter three
6 pages of direct testimony on April the 16th of 2004?

7 A Yes, I did.

8 Q Do you have any changes or corrections to your
9 prefiled direct testimony?

10 A Yes, I have one change, and that would be on Page 2,
11 at Line 13.

12 Q Please go ahead and give the change.

13 A Instead of, "At this time BellSouth has recorded
14 FDN's disputes," I would like to change that to, "As of
15 April 16, 2004, BellSouth recorded FDN's disputes."

16 A similar change on Line 19 to replace the "At this
17 time" with the date of "April 16, 2004."

18 Q And with those changes, if I were to ask you the same
19 questions that appear in your direct, would your answers be the
20 same?

21 A Yes, they would.

22 Q And did you also cause to be prefiled supplemental
23 direct testimony on June 1st, 2004?

24 A Yes, I did.

25 Q Do you have any changes or corrections to the

1 supplemental direct testimony?

2 A Yes, similar changes on Page 2 on Line 13. I would
3 like to insert "BellSouth's view as of June 1, 2004, of FDN's
4 disputes." And on Line 19 as well, "BellSouth's view as of
5 June 1, 2004."

6 Q And with those changes, if I were to ask you the same
7 questions that appear on your supplemental direct, would your
8 answers be the same?

9 A Yes, it would.

10 Q And did you also cause to be prefiled a confidential
11 exhibit with your supplemental direct testimony?

12 A Yes, I did.

13 Q Do you have any changes to that exhibit?

14 A No, I do not.

15 MS. MAYS: Commissioner Deason, at this time we would
16 ask that the direct, supplemental direct and confidential
17 exhibit be admitted subject to cross-examination.

18 COMMISSIONER DEASON: Okay. The direct and
19 supplemental direct shall be inserted into the record. Has the
20 exhibit been identified?

21 MS. MAYS: Actually I believe it has been. I'm
22 sorry. It's already been --

23 COMMISSIONER DEASON: Okay. So it's already been
24 identified and admitted. Very well.

25 MS. MAYS: Thank you. The witness is available for

1 cross-examination.

2 COMMISSIONER DEASON: Okay.

3 MR. KASSMAN: Thank you. At the outset,
4 Commissioner, I'd like to note that FDN has no objection to
5 Exhibits 16 and 17.

6 COMMISSIONER DEASON: Okay. Well, we can go ahead
7 and address those at this time.

8 BellSouth, you renew your motion to have Exhibits 16
9 and 17 admitted?

10 MS. MAYS: Yes, please.

11 COMMISSIONER DEASON: Okay. And without objection --
12 staff, you have no objection to 16 and 17? Mr. Fordham, you
13 have no objection to Exhibit 16 and 17?

14 MR. FORDHAM: No objections, Commissioner.

15 COMMISSIONER DEASON: Very well. Show then Exhibit
16 16 and 17 are admitted.

17 (Exhibits 16 and 17 admitted into the record.)

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1 Bellsouth Telecommunications, Inc.
2 Direct Testimony of Cynthia A. Clark
3 Before the Florida Public Service Commission
4 Docket No. 030829-TP
5 April 16, 2004
6

7 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND POSITION**
8 **WITH BELLSOUTH TELECOMMUNICATIONS, INC. (HEREINAFTER**
9 **REFERRED TO AS "BELLSOUTH" OR "THE COMPANY").**

10

11 A. My name is Cynthia A. Clark. I am employed by BellSouth as a Senior
12 Staff Manager in BellSouth's Accounts Receivable Management
13 Organization. My business address is 2300 Northlake Centre, Tucker,
14 Georgia 30084.

15

16 **Q. PLEASE DESCRIBE YOUR CURRENT RESPONSIBILITIES.**

17

18 A. I currently have responsibility for supervising the dispute escalation staff.
19 The group handles accounts receivable management, including
20 collections and billing disputes, for all of the Company's interconnection
21 business.

22

23

24 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
25 **CAREER EXPERIENCE.**

1

2 A. I received a Bachelor of Arts degree in Accounting from Auburn University
 3 in Auburn, Alabama in 1978. I began employment at BellSouth in June
 4 1998, and have held various positions in BellSouth's Billing and
 5 Collections for wholesale services.

6

7 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

8

9 A. The purpose of my testimony is to quantify BellSouth's view of
 10 Florida Digital Network's (FDN's) disputes related to UNE Rate Zone
 11 Changes and Disconnect charges.

12

13 *As of April 16, 2004,*
~~At this time~~ BellSouth has recorded FDN's disputes regarding
 14 Disconnect Orders as shown below:

15 Q Accounts \$11,478.75

16 N Accounts \$31,709.40

17 Total \$43,188.15

18

19 *As of April 16, 2004,*
~~At this time~~ BellSouth has recorded FDN's disputes regarding UNE
 20 Zone changes as shown below:

21 Q Accounts \$24,954.74

22 N Accounts \$52,538.38

23 Total \$77,493.12

24 These amounts do not include any applicable late payment
 25 charges.

1

2 Q. HOW DOES THIS AMOUNT COMPARE TO THE AMOUNT REFERENCED IN
3 THE COMPLAINT?

4

5 BellSouth's records of the amount in dispute are less than the amount
6 in FDN's complaint and less than the amounts in FDN's interrogatory
7 responses. BellSouth and FDN have been working cooperatively to
8 reconcile these differences. That effort is still underway. BellSouth
9 reserves the right to rectify the total amount in dispute to address any
10 supplemental discovery responses that FDN has indicated it will file as
11 well as to reflect the outcome of the parties reconciliation efforts.

12

13 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

14

15 A. Yes.

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1 BELLSOUTH TELECOMMUNICATIONS, INC.
2 SUPPLEMENTAL DIRECT TESTIMONY OF CYNTHIA A. CLARK
3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 030829-TP
5 JUNE 1, 2004
6

7 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND**
8 **POSITION WITH BELLSOUTH TELECOMMUNICATIONS, INC.**
9 **(HEREINAFTER REFERRED TO AS "BELLSOUTH" OR "THE**
10 **COMPANY").**

11
12 **A.** My name is Cynthia A. Clark. I am employed by BellSouth as a Senior Staff
13 Manager in BellSouth's Accounts Receivable Management Organization. My
14 business address is 2300 Northlake Centre, Tucker, Georgia 30084.

15
16 **Q. PLEASE DESCRIBE YOUR CURRENT RESPONSIBILITIES.**

17
18 **A.** I currently have responsibility for supervising the dispute escalation staff. The
19 group handles accounts receivable management, including collections and
20 billing disputes, for all of the Company's interconnection business.

21
22 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
23 **CAREER EXPERIENCE.**
24
25

A1. I received a Bachelor of Arts degree in Accounting from Auburn University in
2 Auburn, Alabama in 1978. I began employment at BellSouth in June 1998,
3 and have held various positions in BellSouth's Billing and Collections for
4 wholesale services.

5

6

7 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

8

9

A. The purpose of this testimony is to update and quantify BellSouth's view of
10 Florida Digital Network's ("FDN's") disputes related to UNE Rate Zone
11 Changes and Disconnect charges to take into account the parties' efforts to
12 reconcile the amounts in dispute.

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as of June 1, 2004,

BellSouth's view⁷ of FDN's disputes regarding Disconnect Orders is as follows:

Q Accounts	\$87,070.48
N Accounts	\$30,468.10
Total	\$117,538.58

as of June 1, 2004,

BellSouth's view⁷ of FDN's disputes regarding UNE Zone changes is as follows:

Q Accounts	\$23,820.46
N Accounts	\$74,420.66
Total	\$98,241.22

1 Q. **WHY ARE THESE AMOUNTS DIFFERENT THAN THE AMOUNTS**
2 **SET FORTH IN YOUR APRIL 16, 2004 TESTIMONY?**

3

4 A. The amounts differ for two reasons. First, BellSouth has made its best efforts
5 to use the most current information it has in its records. Second, BellSouth has
6 attempted to reconcile its records with information it received from FDN. The
7 different numbers result from using FDN's records, as appropriate, and the
8 most current information in BellSouth's records.

9

10 Q. **PLEASE ELABORATE.**

11

12 A. BellSouth asked FDN to provide the total amounts in dispute in discovery.
13 FDN's response to BellSouth's Interrogatory No. 28 provided such amounts;
14 however, the amounts in the discovery responses vary from the amounts
15 reflected in FDN's complaint. BellSouth compared FDN's discovery
16 responses to BellSouth's records, which records formed the basis of my April
17 16th testimony.

18

19 After receiving FDN's discovery responses, BellSouth asked FDN to provide
20 back-up information that correlated to those amounts. FDN provided all open
21 dispute data relating to its Q accounts, but did not provide any dispute data
22 relating to its N accounts. As a result, BellSouth is unable to reconcile FDN's
23 discovery responses with the BellSouth records. BellSouth has requested
24 additional information from FDN but, to date, no such information has been
25 provided.

1
2 Moreover, the information FDN provided relating to its Q accounts failed to
3 resolve the discrepancy between the parties. BellSouth reviewed FDN's data,
4 but could not reconcile the information in FDN's discovery response with the
5 backup data FDN provided.
6

7 **Q. WHAT DATA DID YOU RELY UPON TO REACH THE AMOUNTS**
8 **CONTAINED IN THIS TESTIMONY?**
9

10 A. I have attached collectively as Exhibit CAC-1, a CD of the supporting
11 workpapers that I relied upon to derive the amounts set forth in this testimony.
12 These workpapers include the billing information BellSouth received from
13 FDN as well as information from BellSouth's billing systems. BellSouth is
14 requesting that the Commission treat this material as confidential since it
15 contains customer specific billing data. BellSouth used FDN's Q Account
16 records as the basis for the disputed amounts for both disconnect orders and
17 UNE zone changes. However, even using FDN's records, BellSouth could not
18 match the numbers FDN provided in response to Interrogatory 28 with the
19 records FDN provided in response to BellSouth's request for backup data. The
20 Q account amounts referenced in this testimony are those disputes that
21 BellSouth could verify.
22

23 Included within the attached workpapers are the BellSouth records relating to
24 FDN's N accounts. BellSouth used its records as the basis for the disputed
25

1 amounts relating to the FDN's N accounts because it had no other records from
2 FDN on which it could rely.

3
4 **Q. PLEASE QUANTIFY THE DISPUTED DISCONNECT CHARGES**
5 **THAT BELL SOUTH CANNOT RECONCILE.**

6
7 A. With respect to disconnect orders relating to FDN's Q accounts, using FDN's
8 verified data, BellSouth believes the amount in dispute is \$87,070.48 and not
9 the \$116,777.64 contained in FDN's discovery response.

10
11 With respect to disconnect orders relating to FDN's N accounts, using
12 BellSouth's most current data, BellSouth believes the amount in dispute is
13 \$30,468.10, and not the \$33,873.59 amount contained in FDN's discovery
14 response.

15
16 **Q. PLEASE QUANTIFY THE DISPUTED UNE ZONE CHANGES THAT**
17 **BELL SOUTH CANNOT RECONCILE.**

18
19 A. With respect to UNE zone changes relating to FDN's Q accounts, using FDN's
20 verified data, BellSouth believes the amount in dispute is \$23,820.46 and not
21 the \$79,300.14 contained in FDN's discovery response.

22
23 With respect to UNE zone changes relating to FDN's N accounts, using
24 BellSouth's most current data, BellSouth believes the amount in dispute is

25

1 \$74,420.60, and not the \$77,402.32 amount contained in FDN's discovery
2 response.

3

4 **Q. PLEASE SUMMARIZE THE RESULTS OF YOUR ANALYSIS.**

5

6 A. The validated dispute amounts based on my review of the available records are
7 shown below (in total):

8 Disconnect Orders – \$117,538.58

9 UNE Zone changes – \$98,241.22

10 Total - \$215,779.80

11 BellSouth has filed a counterclaim against FDN in which it has requested that
12 FDN pay all outstanding and unpaid amounts relating to the disconnect orders
13 and UNE zone changes. At present, the validated amount that BellSouth is
14 requesting is \$215,779.80. BellSouth is also requesting that this Commission
15 order FDN to pay late payment charges in the amount of \$57,219.73. The late
16 payment charge amount is based upon the applicable late payment charges
17 contained within the parties' agreement, and is calculated using simple interest
18 on the rolling outstanding balance. These calculations are also contained
19 within CAC-1.

20

21 Because BellSouth was unable to reconcile the amount in dispute with FDN,
22 BellSouth cannot confirm the total unpaid amounts FDN has withheld related
23 to these issues. Since FDN has represented the amount in dispute as a
24 significantly higher amount, \$307,353.69 in total, it is likely that FDN has
25 withheld that amount from its payments. The difference may be caused by

1 FDN including disputes in its calculations that relate to matters other than
2 those raised in its complaint. Consequently, in reaching its decision in this
3 case, BellSouth requests that the Commission order FDN to pay the verified
4 disputed amounts, plus applicable late payment charges, and also direct the
5 parties to cooperatively resolve the remaining discrepancy so that BellSouth is
6 fully compensated by FDN for all unpaid amounts relating to disconnect
7 charges and UNE rate zone changes.

8

9 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

10

11 **A. Yes.**

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CROSS EXAMINATION

BY MR. KASSMAN:

Q Good morning, Ms. Clark.

A Good morning.

Q My name is Scott Kassman. I'm FDN's attorney. I've got a few questions for you this morning.

A Okay.

Q Can you tell me in what capacity you're employed with BellSouth?

A I am a senior staff manager in BellSouth's accounts receivable management organization.

Q So you're familiar with the portback and zone disputes which FDN has submitted to BellSouth?

A I'm familiar with the disputes.

Q Would you say that you've got first-hand knowledge of those disputes?

A I have gathered knowledge from those who have personally handled the disputes, so I have close second-hand knowledge, I would say.

Q Okay. Ms. Clark, in your supplemental direct testimony you quantified what BellSouth believes to be the amount in dispute; correct?

A That's correct.

Q And you've broken those figures out for each dispute by Q accounts and N accounts; correct?

1 A That is correct.

2 Q Can you tell us what a Q account is, please?

3 A A Q account is a billing account number that the
4 format includes a Q, and it indicates that that account is
5 billed out of BellSouth's IBS or CRIS billing system.

6 Q Okay. And what is an N account?

7 A An N account is a similar billing account number
8 structure that contains an N, and that indicates that it's
9 billed out of BellSouth's CAB system.

10 Q Okay. Can you please turn to Page 2 of your
11 supplemental direct testimony. Let me know when you're there.

12 A I am there.

13 Q Okay. Can you please read for me at approximately
14 Line 13 where it begins, "BellSouth's view."

15 A "BellSouth's view as of June 1, 2004, of FDN's
16 disputes regarding disconnect orders is as follows. Q
17 accounts, \$87,070.48, N accounts \$30,468.10, total
18 \$117,538.58."

19 Q Thank you, Ms. Clark. Have you had the opportunity
20 to update those figures since filing your testimony?

21 A I have not.

22 Q You also state in your supplemental direct testimony
23 that you cannot reconcile BellSouth's numbers with FDN's
24 numbers; correct?

25 A That is correct.

1 Q Why is that?

2 A For the Q account totals, I have relied very much on
3 the information that Florida Digital sent to me in, in coming
4 up with the Q account numbers that I've displayed in my
5 testimony. When we pulled the numbers out of BellSouth's
6 tracking system, we were, we were far apart, and there's
7 several reasons for that: Mostly because those disputes have
8 been, you know, it's been a long-standing dispute over the
9 process of the years that FDN's been submitting these disputes,
10 BellSouth's been denying and resolving. We've really gotten
11 way out of sync on what FDN believes is open and what BellSouth
12 believes is open.

13 So in order to try to come to, to this hearing with a
14 similar set of numbers on the Q accounts, I did use the numbers
15 that I had in June that were supplied by FDN.

16 Q Okay. Can you read for me beginning at Line 20?

17 A "BellSouth's view as of June 1, 2004, of FDN's
18 disputes regarding UNE zone changes is as follows: Q accounts,
19 \$23,820.46; N accounts, \$74,420.66; a total \$98,241.22."

20 Q Thank you. Again, have you had the opportunity to
21 update those numbers?

22 A I have not.

23 Q Okay. Can you tell me the methodology you used to
24 arrive at the numbers in your testimony, please?

25 A The N account data, we felt like we were fairly close

1 and pretty much in agreement with FDN's figures, so I pulled
2 those numbers directly from BellSouth's tracking system so that
3 I would have, you know, the BellSouth view from BellSouth data.

4 For the Q accounts, as I explained before, we had a
5 very different set of data than FDN did so that when FDN
6 supplied me with some spreadsheets that showed all of their
7 open disputes, I attempted to pull out the disputes that
8 related to these issues and used those spreadsheets to come to
9 these numbers.

10 Q So let me understand this. You used FDN's data on
11 the Q accounts because BellSouth denied those disputes and
12 closed them; is that correct?

13 A BellSouth didn't show those disputes to be open. So
14 if I pulled open disputes on these issues, they were -- the
15 open number does not resemble FDN's number of disputes open.

16 Q Okay. So, I'm sorry. Why weren't they open?

17 A Well, some have been resolved and some have been
18 denied. When BellSouth resolves a dispute, we no longer hold
19 it open. So all of the disputes for which FDN has received a
20 response are no longer open in our system.

21 Q Okay. Did you deny and close any of the Q account
22 disputes after FDN filed its complaint on August 14th, 2003?

23 A I'm sure there were some down.

24 Q Why would BellSouth deny and close those disputes
25 when it knew it was, that those disputes were the subject of a

1 PSC complaint and ultimately a hearing?

2 A I am not sure that at the work center level the folks
3 receiving the disputes actually were aware of FDN's filing on
4 this issue, so the work center process continued to work
5 disputes through the normal process.

6 Q Ms. Clark, to your knowledge has BellSouth issued
7 credits to FDN on its Q accounts for the portback dispute?

8 A Yes, they have.

9 Q When did BellSouth start issuing those credits to
10 FDN?

11 A I can't tell you exactly when BellSouth started
12 issuing the credits, but throughout the history of this dispute
13 I believe there have been credits issued and denials issued on,
14 on the same issue.

15 Q Would you say it started approximately at the
16 inception of the dispute that BellSouth began issuing credits?

17 A I couldn't tell you that for sure, but I would say
18 that's certainly possible.

19 Q Do you know what the amount which BellSouth has
20 credited FDN on those accounts are to date?

21 A No, I don't.

22 Q Would you accept, subject to check, that the, that
23 BellSouth has credited FDN approximately \$78,000 on those
24 Q accounts to date?

25 A Subject to check.

1 Q Okay. Is BellSouth continuing to issue FDN credits
2 on those Q accounts?

3 A I am not sure if, if that, if I can say that's a true
4 statement. However, I know that in the work centers they are
5 trying to be very careful, the supervision is trying to be very
6 careful to make sure those folks that were doing it incorrectly
7 are doing it correctly today. However, I have had
8 conversations with those supervisors when they've caught a
9 mistake that was made, an error, and asked them to go back and
10 debit that.

11 So, you know, it takes a long time for people to
12 unlearn something that they've learned incorrectly, and I think
13 we're having -- you know, we're working on trying to make those
14 credits disappear for you.

15 Q So am I to understand that those credits were issued
16 in error?

17 A Yes.

18 Q So for approximately three years since the inception
19 of this dispute BellSouth made a mistake and never caught it
20 until recently?

21 A That is correct.

22 Q How did this come to your attention that these
23 credits were being issued erroneously in your view?

24 A I became involved in, in this particular issue when
25 this complaint was filed, so I became aware of it as a result

1 of this complaint.

2 Q Ms. Clark, was it you that personally issued those
3 credits on the Q accounts?

4 A No, it was not.

5 Q Who would have issued those credits?

6 A BellSouth has work centers, and in those work centers
7 those are the front-line employees that handle the billing
8 disputes. They receive and process the disputes and it is
9 within their authority to deny a dispute or credit a dispute
10 based on our business guidelines.

11 Q So would one particular representative have issued
12 the credits or perhaps maybe it was several representatives?

13 A It could have been several.

14 Q Okay. So you're telling me that perhaps several
15 representatives who issued credits came to the same conclusion
16 independently that these credits should have been issued; is
17 that what you're saying?

18 A Yes. The process used to validate disconnect
19 disputes is a little different depending on the type of
20 service, and I believe we had a job aid that was in our
21 business, our business rules that misled people to make that
22 choice.

23 Q Those representatives, do they work for you, Ms.
24 Clark?

25 A They do not.

1 Q Indirectly in some fashion perhaps?

2 A In the same organization.

3 Q Ms. Clark, can you tell me the USOCs that BellSouth
4 bills FDN for with respect to the portback dispute?

5 A I think it's PE1P2 and UEAL2 are the dominant USOCs.

6 Q Okay. Actually, you know what, I'd like to step back
7 for a moment, if I could.

8 You mentioned that BellSouth has some internal
9 guidelines for issuing credits. Is that your testimony?

10 A We have work instructions, yes.

11 Q Work instructions, okay. And who issues those work
12 instructions?

13 A Generally the work instructions are a result of the
14 product manager's product release. So the work instructions
15 might be different for different products. And so the product
16 manager would issue those work instructions, we would
17 incorporate them into our -- they would issue the guidelines,
18 we would incorporate them in our work instructions.

19 Q And you mentioned just a moment ago that in your view
20 those work instructions were unclear in some fashion; correct?

21 A That's correct.

22 Q Did the service representatives who issued the
23 credits to FDN have any conversations to your knowledge with
24 the product managers who would have issued those guidelines?

25 A None to my knowledge.

1 Q Do you know, is there any attorney input involved in
2 developing those guidelines?

3 A None to my knowledge.

4 Q Okay. Back to the UEAL2 and PE1P2 USOCs you just
5 mentioned, do you know the rates associated with those USOCs?

6 A No, I don't know those rates.

7 Q Would you accept, subject to check, that the UEAL2
8 rate is approximately, for a nondesigned loop is
9 approximately \$25 and the PE1P2 rate is approximately \$5?

10 A Yes.

11 Q And for a -- I'm sorry. I'll withdraw the question.

12 So every time BellSouth wins back a nondesigned
13 circuit from FDN, BellSouth charges FDN approximately \$31;
14 would that be accurate?

15 A A disconnect charge is charged on each facility loop
16 when a facility loop is disconnect.

17 Q And, again, the disconnect charge is made up of the
18 two USOCs you just mentioned; correct?

19 A Correct. Uh-huh.

20 Q Do you know the price of a nondesigned loop? Do you
21 know what the rate is for that, Ms. Clark?

22 A No, I don't.

23 Q Would you accept, subject to check, that that rate is
24 approximately \$50 -- I'm sorry, \$64?

25 A Uh-huh. Subject to check.

1 Q Okay. Thank you. So every time BellSouth wins back
2 a designed circuit from FDN, it charges FDN about \$69, would
3 that be about right? Would you accept that, subject to check?

4 A Restate that question.

5 Q So every time BellSouth wins back a designed circuit,
6 it charges FDN approximately \$69; would that be correct?

7 A I'm not sure I understand. Are you adding the
8 monthly recurring charge to the nonrecurring charge? What --

9 Q Well, isn't, isn't -- well, I've asked you concerning
10 the nondesigned loop disconnect charge, would you accept that
11 that's approximately \$64?

12 A The disconnect charge, \$64?

13 Q For, for a designed loop.

14 A I would accept that. I don't -- it would have to be
15 something I'd check.

16 Q Okay. Ms. Clark, what is a SOMAN charge?

17 A That's a service order charge.

18 Q And what is a SOMECH charge?

19 A That is also a service order charge for a mechanized
20 service order.

21 Q Does BellSouth charge FDN for either of those in
22 relation to winback disconnect orders?

23 A I think BellSouth has charged those in error and has
24 credited those.

25 Q So BellSouth does not charge those?

1 A BellSouth does not charge those.

2 Q When it charges FDN correctly, or it does not charge
3 those?

4 A That is correct.

5 Q And why not?

6 A Because the service order charge is directly related
7 to who issued the service order, and in these instances FDN did
8 not issue the service order.

9 Q So I just want to be clear about this. FDN does not
10 issue or initiate the disconnect order in winback situations.

11 A That is correct.

12 MR. KASSMAN: Thank you, Ms. Clark. That's all I
13 have.

14 COMMISSIONER DEASON: Staff?

15 MR. FORDHAM: Staff has no questions, Commissioner.

16 COMMISSIONER DEASON: Commissioners, redirect?

17 MS. MAYS: No, Commissioners. We would call our next
18 witness and ask that Ms. Clark be excused.

19 COMMISSIONER DEASON: Yes. Ms. Clark, you may be
20 excused.

21 MS. MAYS: And BellSouth will call Mr. Carlos Morillo
22 to the stand.

23 And, Commissioner, Mr. Morillo has also already been
24 sworn.

25 CARLOS MORILLO

1 was called as a witness on behalf of BellSouth
2 Telecommunications, Inc., and, having been duly sworn,
3 testified as follows:

4 DIRECT EXAMINATION

5 BY MS. MAYS:

6 Q Mr. Morillo, when you're ready, could you give the
7 Commission your full name and business address, please.

8 A My name is Carlos Morillo. I work for BellSouth
9 Telecommunications in Atlanta, 675 Peachtree Street.

10 Q And could you also provide the Commission with your
11 title.

12 A I'm director of policy implementation.

13 Q And in this proceeding, Mr. Morillo, did you adopt
14 the prefiled direct testimony of Ms. Kathy Blake?

15 A Yes, I did.

16 Q And with the exception of the biographical
17 information, are there any changes or corrections to that
18 testimony?

19 A No.

20 Q If I were to ask you the same questions, again
21 without regard to the biographical information, would your
22 answers be the same?

23 A Yes.

24 Q And did you also adopt the prefiled exhibit prefiled
25 with Ms. Blake's testimony?

1 A Yes.

2 Q Are there any changes or corrections to the exhibit?

3 A No.

4 Q Did you also cause to be prefiled revised rebuttal
5 testimony on September 9th of 2004?

6 A Yes.

7 Q And that revised rebuttal testimony replaced your
8 initial rebuttal testimony; is that correct?

9 A Yes.

10 Q Are there any changes or corrections to the revised
11 rebuttal testimony?

12 A No.

13 Q If I were to ask you the same questions, would your
14 answers be the same at this time?

15 A Yes.

16 Q And did you have a revised rebuttal exhibit
17 identified as CM-1?

18 A Yes.

19 Q Are there any changes or corrections to that exhibit?

20 A No.

21 MS. MAYES: Mr. -- Commissioner Deason, if we could
22 have the direct testimony of Ms. Blake as adopted by
23 Mr. Morillo as well as the revised rebuttal entered into the
24 record as though read at this time, please.

25 COMMISSIONER DEASON: Without objection, show that

1 that testimony is inserted into the record.

2 MS. MAYS: And Mr. Morillo is available for cross.

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1 BELLSOUTH TELECOMMUNICATIONS, INC.
2 DIRECT TESTIMONY OF KATHY K. BLAKE
3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 030829-TP
5 APRIL 16, 2004
6
7 Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH BELLSOUTH
8 TELECOMMUNICATIONS, INC. ("BELLSOUTH") AND YOUR
9 BUSINESS ADDRESS.
10
11 A. My name is Kathy K. Blake. I am employed by BellSouth as Director – Policy
12 Implementation. My business address is 675 West Peachtree Street, Atlanta,
13 Georgia 30375.
14
15 Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR BACKGROUND
16 AND EXPERIENCE.
17
18 A. I graduated from Florida State University in 1981, with a Bachelor of Science
19 degree in Business Management. After graduation, I began employment with
20 Southern Bell as a Supervisor in the Customer Services Organization in
21 Miami, Florida. In 1982, I moved to Atlanta where I have held various
22 positions involving Staff Support, Product Management, Negotiations, and
23 Market Management within the BellSouth Customer Services and
24 Interconnection Services Organizations. In 1997, I moved into the State
25 Regulatory Organization where my responsibilities included issues

1 management and policy witness support. I assumed my current responsibilities
2 in July 2003.

3

4 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

5

6 A. My testimony addresses the issues related to Florida Digital Network, Inc.'s
7 ("FDN") complaint filed with the Florida Public Service Commission
8 ("Commission") on August 14, 2003 ("Complaint"), and FDN's amended
9 complaint filed on November 21, 2003 ("Amended Complaint"). I specifically
10 address the issues set forth in Attachment A of the Commission's Procedural
11 Order, Order No. PSC-04-0121-PCO-TP, issued on February 4, 2004
12 ("*Procedural Order*").

13

14 Q. BEFORE ADDRESSING EACH SPECIFIC ISSUE, DO YOU HAVE AN
15 OVERALL REACTION TO FDN'S COMPLAINT?

16

17 A. Yes. To put it simply, FDN is attempting to circumvent its obligation to pay
18 contractually agreed upon rates and charges. The rates contained in the parties'
19 Interconnection Agreement include all recurring and nonrecurring rates
20 applicable to specific elements – nonrecurring installation rates apply at the
21 time a CLEC acquires an end user customers; recurring rates apply on a
22 monthly basis; and the nonrecurring disconnect rates apply when a particular
23 element is disconnected. With respect to the deaveraged recurring rates, it is
24 the state commissions who establish the rate zones. These zones are subject to
25 change based on state commission order. If a state commission orders such a

1 change, an amendment to an interconnection agreement is not necessary in
2 order to implement such commission order.

3

4 In this proceeding, FDN takes issue with some, but not all, of the nonrecurring
5 disconnect rates that it has been billed. These rates are contained in the parties'
6 Interconnection Agreement, without limitation. Nothing in the parties
7 Agreement permits FDN to pay some, but not all, disconnect charges.
8 However, FDN refuses to pay for nonrecurring disconnect charges that apply
9 when an FDN customer chooses to switch service to BellSouth or to another
10 provider, and FDN does not issue the actual disconnection order. There is no
11 contractual language that authorizes FDN's interpretation of when disconnect
12 charges are applicable.

13

14 FDN's dispute is without basis considering that this Commission has
15 considered and approved the application of nonrecurring disconnect charges in
16 proceedings in which competitive local exchange carriers ("CLECs")
17 recognized that such disconnect charges are a cost of providing service. FDN's
18 dispute is particularly troublesome considering FDN was a party to Docket No.
19 990649-TP and prefiled testimony and a prehearing statement, both of which
20 included proposed disconnect rates. Furthermore, FDN did not seek
21 reconsideration of Order No. PSC-01-1181-FOF-TP, issued May 25, 2001
22 ("*UNE Cost Order*"), in which the Commission approved the application of
23 disconnect charges.

24

1 With respect to UNE zone rate changes, at all times BellSouth charged FDN
 2 the UNE zone-specific rates contained within the parties' Agreement as
 3 applied to the particular UNE rate zone. When a commission modifies UNE
 4 rate zones, there is always a possibility that rates for certain elements will
 5 immediately decrease or increase depending upon the modification. For
 6 example, an unbundled loop ("UNE-L") in rate zone 1 is normally less than the
 7 same loop in rate zone 2. Thus, if rate zone 1 wire centers are moved to rate
 8 zone 2, or vice versa, a CLEC ordering a UNE-L from the affected wire center
 9 will immediately be charged the applicable UNE zone rate, as contained in its
 10 interconnection agreement. BellSouth believes that FDN's dispute is more
 11 reflective of its disagreement with this Commission's decision to move certain
 12 wire centers from UNE zone 1 to UNE zone 2 than it is a dispute concerning
 13 BellSouth's implementation of the Commission ordered zone changes. When
 14 the Commission issued Order No. PSC-02-1311-FOF-TP ("*120-day UNE*
 15 *Order*"), FDN could have sought reconsideration of the wire center
 16 redesignations. However, FDN did not seek reconsideration of such order.

17

18 *Issue 1: In consideration of cost-causer, economic, and competitive principles,*
 19 *under what circumstances should BellSouth be allowed to assess a*
 20 *disconnect charge to FDN.*

21

22 Q. WHAT IS BELL SOUTH'S POSITION REGARDING THIS ISSUE?

23

24 A. BellSouth is authorized, pursuant to the Commission's *UNE Cost Order* and
 25 the parties' Interconnection Agreement, to assess a nonrecurring disconnect

1 charge each time it disconnects an element with an associated disconnect
2 charge. There are no cost-causation, economic, or competitive principles
3 embodied in the terms and conditions of the parties' Agreement that limit the
4 application of disconnection charges, nor should FDN be permitted to argue
5 that any such principles trump the terms and conditions of the Agreement.
6

7 The particular elements that are at issue in this proceeding (according to
8 FDN's response to BellSouth's First Interrogatories, No. 3) are as follows:
9 UEAL2 (2 wire analog voice grade loop – service level 1; 2 wire voice grade
10 analog loop – service level 2); PE1P2 (cross connect); and SOMAN (manual
11 service order charge, per LSR, disconnect only). The Interconnection
12 Agreement between the parties reflects a nonrecurring disconnect rate
13 associated with each such element. (See pages 1-2 of 53 of Attachment 2 or
14 Page 139-140 of 532 of the Agreement for SOMAN and the SL1 and SL2
15 rates; see also p. 13 of 53 of Attachment 2 or Page 151 of 532 of the
16 Agreement for the cross connect rates). According to the Interconnection
17 Agreement, therefore, BellSouth is expressly authorized to charge a
18 nonrecurring disconnect rate each time any such elements provided to FDN are
19 actually disconnected. It is important to note that the Interconnection
20 Agreement does not limit the disconnect charges to orders actually placed by
21 FDN.
22

1 Q. ARE THERE ANY REGULATORY DECISIONS THAT ADDRESS THIS
2 ISSUE?

3

4 A. Yes. This issue first arose in Florida in connection with a multi-party
5 arbitration proceeding initiated in 1996 between BellSouth and several CLECs,
6 Docket Nos. 960757-TP, 960833-TP, and 960846-TP. In that proceeding, this
7 Commission decided to separate installation and disconnection rates.

8

9 In Order No. PSC-98-0604-FOF-TP ("*1998 Arbitration Order*"), the
10 Commission stated "[e]liminating disconnect costs from up-front NRCs is a
11 logical way to relieve some of the burden associated with high start-up costs.
12 CLECs understand and accept that disconnect costs exist, and we believe it is
13 more appropriate to assess those charges at the time the costs are in fact
14 incurred." (*1998 Arbitration Order*, p. 79).

15

16 This Commission maintained separate disconnection charges in its *UNE Cost*
17 *Order*, which established the disconnect rates contained in the current FDN
18 Interconnection Agreement.

19

20 Q. ARE YOU AWARE OF ANY COST-CAUSATION, ECONOMIC, OR
21 COMPETITIVE PRINCIPLES THAT WOULD LIMIT BELL SOUTH'S
22 ABILITY TO ASSESS DISCONNECTION CHARGES TO FDN?

23

24 A. I am not. As I understand FDN's Complaint, FDN essentially asserts that it is
25 not the cost-causer of disconnection orders that it does not actually issue. FDN

1 is fundamentally advocating a position that seeks to eliminate nonrecurring
2 disconnection charges.

3
4 When nonrecurring rates were first established, BellSouth did not separate
5 installation costs and disconnection costs. Instead, BellSouth choose to follow
6 the rate structure found in retail nonrecurring charges. Traditionally,
7 BellSouth charges both the installation and disconnect charge when a retail
8 customer orders service. In 1996, BellSouth maintained this same position in
9 the arbitration proceedings. BellSouth's position was not adopted, and this
10 Commission chose to separate installation and disconnection costs in an effort
11 to reduce some of the upfront costs incurred by CLECs. The act of separating
12 installation and disconnection charges, however, does not change the fact that
13 the disconnection costs are caused by the initial order for CLEC service. In
14 other words, when FDN places an order for a UNE loop from BellSouth, there
15 are costs incurred by BellSouth in performing the work activities to attach the
16 loop to FDN's switch (i.e. installation charges). Similarly, if a customer
17 chooses later to return to BellSouth (or another CLEC), there are costs
18 involved to disconnect the loop from FDN's switch (i.e., disconnect charges).
19 None of the costs would have been incurred to begin with but for FDN's initial
20 service order.

1

2 ***Issue 2: In light of Order Nos. PSC-01-1181-FOF-TP and PSC 02-1311-FOF-***
3 ***TP and the parties interconnection agreements, does BellSouth***
4 ***appropriately assess disconnect charges when BellSouth issues an order***
5 ***for an FDN customer to port out?***

6

7 Q. WHAT IS BELL SOUTH'S POSITION REGARDING THIS ISSUE?

8

9 A. BellSouth properly assesses disconnection charges to FDN. When one of
10 FDN's customers ports out of FDN's network, FDN is assessed the disconnect
11 charge for the specific element(s) being disconnected. As the Commission
12 discussed in the *1998 Arbitration Order*, CLECs have the ability to negotiate
13 the terms and conditions for specific rates before entering into an
14 interconnection agreement with BellSouth. (See *1998 Arbitration Order*, p.
15 79.) If FDN desired to limit the application of disconnect charges, it should
16 have sought to negotiate such language before entering into an agreement that
17 does not make any such distinction.

18

19 ***Issue 3: In order to implement changes in rate zone designations, is it necessary***
20 ***for the parties to negotiate an amendment to their interconnection***
21 ***agreement?***

22

1 Q. WHAT IS BELL SOUTH'S POSITION REGARDING THIS ISSUE?

2

3 A. The agreement between BellSouth and FDN does not require a contract
4 amendment to implement UNE rate zone changes. The parties'
5 Interconnection Agreement contains a reference to a BellSouth website that
6 lists the wire center designation ordered by state commissions. When a state
7 commission order requires changes to the zone designation for a wire center,
8 BellSouth updates its billing systems to implement the commission's order and
9 issues a carrier notification letter informing CLECs of the change in wire
10 center designation. On October 10, 2002, BellSouth sent a Carrier Notification
11 letter advising CLECs of the implementation of the rate zone changes resulting
12 from the Commission's *120-day UNE Order*. See Exhibit KKB-1 for a copy
13 of the Carrier Notification Letter. BellSouth's website was updated
14 accordingly. Pursuant to the parties' Agreement, once the website
15 modification occurred BellSouth was contractually authorized to bill FDN the
16 rates applicable to the particular UNE zone.

17

18 *Issue 4: In light of policy considerations, the parties' interconnection agreements,*
19 *Order Nos. PSC-01-1181-FOF-TP and PSC 02-1311-FOF-TP, and any*
20 *other applicable regulatory requirements, can BellSouth implement*
21 *changes in rate zone designations without implementing any associated*
22 *changed rates?*

23

1 Q. WHAT IS BELLSOUTH'S POSITION REGARDING THIS ISSUE?

2

3 A. There are no policy considerations or Commission orders that preclude the
4 implementation of UNE rate zone changes pursuant to the applicable language
5 in the parties' Agreement which refers to the website discussed above. The
6 parties' Agreement authorizes BellSouth to implement rate zone redesignations
7 without the need for a contract amendment. Moreover, BellSouth's billing
8 systems are not capable of having a single wire center assigned to multiple rate
9 zones. To implement the *120-day UNE Order*, the necessary changes to the
10 wire center designation became effective on the specific day the redesignation
11 information was entered into the billing system. Rate zone designations are
12 established pursuant to Commission order and are applicable to all CLECs for
13 the billing of their individually negotiated deaveraged rate elements.

14

15 *Issue 5: Given the resolution of Issues 1, 2, and 3 above, what remedies are*
16 *appropriate?*

17

18 Q. WHAT IS BELLSOUTH'S POSITION REGARDING THIS ISSUE?

19

20 A. The appropriate remedy in this proceeding is to require FDN to promptly
21 submit payment to BellSouth for the charges it has thus far refused to pay,
22 along with applicable late fees, which amount is provided in Ms. Clark's direct
23 testimony.

24

1 ***Issue 6: Should all or any portion of the parties' claims or counterclaims be***
2 ***barred by the doctrines of res judicata or collateral estoppel?***
3

4 Q. WHAT IS BELL SOUTH'S POSITION REGARDING THIS ISSUE?
5

6 A. BellSouth will more fully address the legal aspects of these doctrines in its post
7 hearing brief. From a policy perspective, however, my understanding is that
8 various principles prevent parties from raising claims that could have and
9 should have been raised at other times or in other proceedings. FDN was a
10 party to the UNE cost proceedings and had ample opportunity to address its
11 position regarding nonrecurring disconnect charges in that docket. In addition
12 to the UNE cost proceedings, FDN raised similar arguments relating to
13 disconnect charges in the Commission's Key Customer proceeding. (See
14 Docket No. 020119.) However, in Order No. PSC 03-0726-FOF-TP ("Key
15 Customer Decision"), this Commission did not address disconnect charges.
16 FDN did file a Motion for Reconsideration of the Key Customer Decision but
17 did not raise any arguments or comment further concerning disconnect
18 charges. Also, FDN voluntarily entered into the contractual provisions that
19 address both the disconnect fees and the website reference to UNE rate zones.
20 FDN could have arbitrated such contractual provisions had the parties been
21 unable to mutually agree to the relevant language. As a matter of policy, this
22 Commission can and should require FDN to live up to its contractual
23 obligations. FDN's discovery responses suggest that changes in the
24 competitive environment should lead to an order in its favor; however, such
25 arguments would be more appropriately raised in future proceedings rather

1 than as an attempt to circumvent existing obligations, which is what FDN

2 seeks to do.

3

4 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

5

6 A. Yes.

1 BELLSOUTH TELECOMMUNICATIONS, INC.
2 REVISED REBUTTAL TESTIMONY OF CARLOS MORILLO
3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 030829-TP
5 SEPTEMBER 9, 2004
6
7 Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH BELLSOUTH
8 TELECOMMUNICATIONS, INC. ("BELLSOUTH") AND YOUR
9 BUSINESS ADDRESS.
10
11 A. My name is Carlos Morillo. I am employed by BellSouth as Director – Policy
12 Implementation. My business address is 675 West Peachtree Street, Atlanta,
13 Georgia 30375.
14
15 Q. HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS PROCEEDING?
16
17 A. No. However, I am adopting the pre-filed direct testimony of BellSouth
18 witness Kathy K. Blake, filed in this proceeding on April 16, 2004.
19
20 Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR BACKGROUND
21 AND EXPERIENCE.
22
23 A. I graduated from West Virginia University in 1984 with Bachelor of Science
24 degrees in Economics and Geology. In 1986, I received a Masters in Business
25 Administration with concentrations in Economics and Finance from West

1 Virginia University. After graduation, I began employment with Andersen
2 Consulting supporting various projects for market research, insurance, and
3 hospital holding companies. In 1990, I joined MCI, Inc. as a Business Analyst.
4 My responsibilities included supporting the implementation of processes and
5 systems for various business products and services. In addition to my Business
6 Analyst duties, I worked as a Financial Analyst evaluating the financial
7 performance of various price adjustments as well as promotion deployment,
8 including the state and Federal tariff filings. I was also a Product Development
9 Project Manager supporting the deployment of business services. In 1994, I
10 joined BellSouth International as a Senior Manager of IT Planning, and later
11 became Director of Business Development. In 1999, I became Director of
12 eCommerce in BellSouth's domestic operations and in 2002, Director of
13 International Audit. I assumed my current position as Director - Policy
14 Implementation in May of 2004.

15
16 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

17
18 A. The purpose of my testimony is to rebut the direct testimony of Florida Digital
19 Network's ("FDN") witness Dr. August H. Ankum, filed in this proceeding on
20 April 16, 2004.

21
22 Q. BEFORE ADDRESSING SPECIFIC ARGUMENTS IN DR. ANKUM'S
23 TESTIMONY, DO YOU HAVE ANY GENERAL COMMENTS ABOUT
24 FDN'S TESTIMONY?

1 A. Yes. To begin with, after reviewing FDN's complaint and Dr. Ankum's
2 testimony, it is clear that FDN is requesting that this Commission reconsider
3 its prior decisions relating to the application of disconnect non-recurring
4 charges. This Commission has already addressed the manner in which
5 disconnection charges apply. As this Commission stated in its Order PSC-98-
6 0604-FOF-TP ("1998 Arbitration Order"): "**CLECs understand and accept**
7 **that disconnect costs exist**, and we believe it is more appropriate to assess
8 those charges at the time the costs are in fact incurred." (Emphasis added,
9 Docket Nos. 960757-TP, 960833-TP and 960846-TP, dated April 29, 1998, p.
10 79.) Furthermore, this Commission has consistently required separate
11 installation and disconnection charges for unbundled network elements
12 ("UNEs").

13
14 FDN's entire complaint is an attempt to re-open and seek reconsideration of
15 the Commission's *UNE Cost Order* (Order PSC-01-1181-FOF-TP, dated May
16 25, 2001, in Docket No. 990649-TP "*UNE Cost Proceeding*"). Even though
17 on page 5, lines 10-12, Dr. Ankum alleges that "FDN is *not* disputing or
18 seeking to re-litigate *the level* of BellSouth's charges as they have been
19 approved by this Commission in Docket No. 990649-TP," he immediately
20 contradicts himself by stating that he believes that BellSouth may possibly be
21 over-recovering costs, and therefore, the Commission may need to make "an
22 adjustment in BellSouth's non-recurring charges." (Ankum Direct, p. 5, ln 17).
23 Such suggestion clearly demonstrates FDN's desire for the Commission to
24 review and modify the rates for disconnect charges already approved in the
25 *UNE Cost Proceeding*. Filing a complaint under the current Interconnection

1 Agreement between BellSouth and FDN is not the proper forum to adjust
2 generic rates. If FDN believes that the Commission erred in its decision of the
3 appropriate recovery of costs associated with disconnection activities, it should
4 have raised such concerns in the *UNE Cost Proceeding*.

5
6 Second, FDN inappropriately considers the work activities involved in
7 disconnecting a loop from their switch and re-establishing the loop on another
8 carrier's switch as a single event. This is inaccurate. There are two "events" --
9 (1) the disconnection "event" and (2) the installation "event". When FDN
10 loses an unbundled network element-loop ("UNE-L") customer, whether to
11 BellSouth, another facilities-based competitive local exchange carrier
12 ("CLEC"), a UNE-P CLEC, or a resale CLEC, there are separate and distinct
13 work activities involved in removing the loop from the losing CLEC (FDN) ---
14 the disconnection "event", and attaching the loop to the winning provider ---
15 the installation "event". Dr. Ankum argues that such work is a "single,
16 synchronous event". (Ankum Direct, p. 7, ln 7). He is wrong. The work
17 activities required to disconnect service is separate and distinct from the work
18 activities required to install service. The Commission recognized the separate
19 and distinct qualities in these work activities and therefore, ordered separate
20 non-recurring charges.

21
22 Third, as to the rate zone changes, BellSouth and FDN do not have a dispute
23 relating to the underlying facts. BellSouth and FDN do have a dispute
24 regarding the implementation of the Commission's Order No. PSC-02-1311-
25 FOF-TP, released on September 27, 2002 ("*120-day Order*"). BellSouth

1 disagrees with FDN that (1) BellSouth did anything unilaterally and (2) the
2 zone charges and loop rates established in the *120-day Order* were intended to
3 be implemented simultaneously. There is nothing in the Commission's *120-*
4 *day Order* that states that the zone changes and the new rates must be
5 implemented simultaneously and BellSouth's review of the ordering clauses
6 did not lead to the conclusion that the zone changes and new rates were
7 intertwined. Therefore, BellSouth implemented the zone charges and rate
8 changes in a reasonable manner, which treated all CLECs equally.

9
10 Q. PLEASE DESCRIBE HOW YOU HAVE STRUCTURED YOUR
11 TESTIMONY.

12
13 A. I will discuss Issues 1 and 2 together and Issues 3 and 4 together since they
14 relate to each other, respectively. As Ms. Blake discussed in her direct
15 testimony, Issue 6 is more of a legal argument that should be addressed in the
16 briefs that will be filed in this proceeding. As to Issue 5, BellSouth Witness
17 Cindy Clark's Supplemental Direct Testimony, filed ~~May 28~~ June 1, 2004,
18 addresses the amount of the unresolved billing dispute between the parties.
19 BellSouth is requesting the Commission order FDN to promptly pay this
20 amount, along with applicable late payment charges.

21
22 ***Issue 1: In consideration of cost-causer, economic, and competitive principles,***
23 ***under what circumstance should BellSouth be allowed to assess a disconnect***
24 ***charge to FDN?***

1 *Issue 2: In light of Order Nos. PSC-01-1181-FOF-TP and PSC 02-1311-*
 2 *FOF-TP and the parties' interconnection agreements, does BellSouth*
 3 *appropriately assess disconnect charges when BellSouth issues an order for*
 4 *an FDN customer to port out?*

5
 6 Q. ON PAGE 6, LINES 10-12, DR. ANKUM STATES "BELLSOUTH'S
 7 PRACTICE IS UNSUPPORTED BY ANY COMMISSION ORDER, RULE
 8 OR REGULATION, OR BY THE PARTIES' INTERCONNECTION
 9 AGREEMENT(S)." IS HE CORRECT?

10

11 A. No. BellSouth's practice of assessing disconnect charges when an end user
 12 ports out, whether in a winback situation (i.e., BellSouth "wins" the customer),
 13 a migration to another CLEC, or a disconnection of service, is based on this
 14 Commission's *1998 Arbitration Order*. The Commission stated:

15

16 Recovery of disconnect costs at the time of installation is standard
 17 practice in LEC end user local service tariffs. This is because it is
 18 commonly thought that end users understand and accept
 19 installation charges more readily than they do disconnection
 20 charges. We find, however, that this practice is unnecessary for
 21 CLECs. ***CLECs understand and accept that disconnect costs***
 22 ***exists***, and we believe it is more appropriate to assess those charges
 23 at the time the costs are in fact incurred.

24

25 (Emphasis added. *1998 Arbitration Order*, p. 79).

26

27 In fact, during the AT&T and MCI 1996 Arbitration proceedings (Docket
 28 Nos. 960757-TP, 960833-TP, and 960846-TP), BellSouth originally

1 proposed that both installation and disconnection costs should be
2 recovered at the time of installation to simulate how costs are recovered
3 through retail charges. But, as Ms. Blake discussed in her Direct
4 Testimony, this Commission decided that “[e]liminating disconnect costs
5 from up-front NRCs is a logical way to relieve some of the burden
6 associated with high start-up costs. *CLECs understand and accept that*
7 *disconnect costs exist*, and we believe it is more appropriate to assess
8 those charges at the time the costs are in fact incurred.” (Emphasis added,
9 *1998 Arbitration Order*, p. 79.)

10
11 Q. HAS THE COMMISSION CONSIDERED DISCONNECT CHARGES
12 SINCE THE AT&T AND MCI 1996 ARBITRATION PROCEEDINGS?

13
14 A. Yes. During the *UNE Cost Proceeding*, BellSouth filed cost studies that
15 included work times and descriptions of the work activities involved when
16 disconnecting service. The Commission reviewed these studies, made
17 modifications, and established separate non-recurring charges for
18 disconnection of UNEs. Nothing in the *UNE Cost Order* indicates that
19 such non-recurring charges would apply only if the CLEC initiated the
20 disconnection. Based on such facts, BellSouth followed the
21 Commission’s *UNE Cost Order* and assessed FDN disconnect charges at
22 the time a disconnection took place.

1 Q. DOES DR. ANKUM CORRECTLY DESCRIBE HOW A HOT-CUT IS
2 PERFORMED?

3

4 A. Yes and no. Without getting into too much of a technical explanation,
5 since I am not a network engineer, Dr. Ankum's simplistic description on
6 p. 8, lines 6-9, regarding how a hot-cut is performed is basically accurate,
7 though lacking in detail. However, as I explained in the beginning of my
8 testimony, Dr. Ankum's contention that moving an end user from one
9 carrier to another is a "single, synchronous event" is incorrect. He fails to
10 acknowledge that there are really two "events" taking place – the
11 disconnection of the FDN loop and the installation of the winning carrier's
12 loop. Additionally, he confuses the separate and distinct activities
13 involved in performing each event. As an example, in order to utilize the
14 same loop, a technician must remove the loop from FDN's switch (the
15 disconnect "event") *AND THEN* move the loop so that it can be
16 connected to the other carrier's switch (the installation "event"). These
17 activities cannot be viewed as being "simultaneous" (Ankum Direct, p. 16,
18 ln 9) or happening "at precisely the same time."

19

20 Q. DR. ANKUM ALSO CLAIMS THAT BY CHARGING DISCONNECT
21 CHARGES, BELL SOUTH IS OVER-RECOVERING ITS COSTS. IS
22 THIS TRUE?

23

24 A. Absolutely not. First of all, Dr. Ankum's discussion of over-recovering
25 costs appears to be a desire for this Commission to re-open and review its

1 decisions made during the generic cost proceedings. This is not the proper
2 forum for such discussion. However, in an effort to respond to Dr.
3 Ankum's arguments, I would have to say that Dr. Ankum's example on
4 pages 16-17 is incorrect. Dr. Ankum states that when the Commission
5 approved separate non-recurring charges for installation and
6 disconnection, the Commission assumed that such "activities would occur
7 as standalone activities (i.e., the disconnect activities would take place at a
8 different point in time than the connect activities.)" This is not totally
9 accurate. One must remember that the Commission's separate installation
10 charges and disconnect charges are for the same carrier, for the same loop.
11 Indeed, the Commission assumed that for the same carrier, for the same
12 loop, that the installation work will occur at one point in time and that the
13 disconnection of that loop, for that same carrier, will occur in the future.
14 This is exactly the way in which BellSouth is billing FDN and there is no
15 "over-recovery" of costs. Furthermore, as evidenced by the cost study
16 filed during the *UNE Cost Proceeding*, it is clear that there are separate
17 work activities associated with disconnection and installation. The
18 Commission recognized that disconnection work was separate and distinct
19 from installation work. The fact that the *type* of work performed for
20 installation and disconnection may be similar (e.g., disconnecting the loop
21 from FDN's switch requires a network technician to perform wiring work
22 on a circuit, and connecting the loop to another carrier's switch also
23 requires a network technician to perform wiring work on a circuit) does
24 not mean the tasks are not uniquely and separately associated with
25 different types of orders.

1

2 Q. ON PAGES 18-19, DR. ANKUM CONTENDS THAT BELLSOUTH IS
3 THE COST-CAUSER IN WIN-BACK SITUATIONS AND SHOULD
4 THEREFORE BE RESPONSIBLE FOR BOTH THE DISCONNECTION
5 CHARGE AND THE INSTALLATION CHARGE. WOULD YOU
6 AGREE WITH HIS THEORY ON COST-CAUSATION?

7

8 A. No. Even though the discussion of cost-causation does not belong in this
9 proceeding, I feel compelled to address Dr. Ankum's theory. Dr. Ankum
10 perspective on cost-causation is incorrect. In order to determine who the
11 cost-causer is, the accurate question is "Why are the resources being
12 expended?" With respect to disconnect activities, the answer is simple:
13 the costs associated with the loop are caused by FDN's initial "winning"
14 of the end-user customer. Once the loop is provisioned for FDN, the cost
15 has been incurred – the initial installation costs at the time of the original
16 order and the anticipated future disconnect costs. FDN's inability to
17 maintain its customer "causes" the loss of that customer and the
18 subsequent disconnect activities. Indeed, if it were not for FDN's initial
19 order, disconnect activities would never be required.

20

21 Under Dr. Ankum's theory, he appears to be proposing that the winning
22 carrier (whether it is FDN, BellSouth or any other carrier) must pay the
23 disconnection charges at the time a customer is being moved from one
24 carrier's network to another AND the installation charges. This is
25 contrary to what the Commission has previously ordered.

1

2 Q. PLEASE ELABORATE.

3

4 A. Dr. Ankum argues that in cases where BellSouth wins a customer back
5 from FDN, BellSouth should be responsible for the disconnect charges
6 since BellSouth is the one causing the costs to be incurred. This is not
7 appropriate. Let's reverse the situation and have FDN winning the
8 customer from BellSouth. Under Dr. Ankum's proposal, FDN would be
9 responsible for not only the disconnect costs associated with BellSouth's
10 losing the customer, but also the installation costs incurred in having to
11 connect the facilities to FDN's switch.

12

13 Q. HOW IS THIS DIFFERENT FROM WHAT IS HAPPENING TODAY?

14

15 A. BellSouth currently charges its end users an initial installation charge that
16 also recovers the disconnection costs that will at some point in the future
17 be incurred because that customer either moves to another carrier or
18 disconnects service. This contradicts Dr. Ankum's assertion that
19 "BellSouth appears to believe that CLECs, like FDN, are always the cost
20 causers who must bear the cost of disconnecting a loop in all cases and
21 that BellSouth is never the cost causer and should never bear the cost."
22 (Ankum Direct, p. 6, lns 13-15) BellSouth recognizes that its end users
23 will at some point move to another carrier and charge for this up-front in
24 order to recover the disconnect costs "caused" by the initial installation ---
25 costs that will inevitably occur at some point in the future. In fact, it is

1 under this principle that BellSouth proposed in the AT&T and MCI 1996
2 Arbitration proceeding to create one non-recurring charge that would
3 recover both installation costs and disconnect costs. However, as I
4 mentioned previously, this Commission thought that recovering both
5 installation and disconnection costs up-front would be cost-prohibitive and
6 therefore, established two separate and distinct charges.

7

8 Q. IS IT APPROPRIATE FOR FDN TO BE RAISING THESE ISSUES IN
9 THIS PROCEEDING?

10

11 A. No. FDN's arguments about whether disconnect activities are a "single
12 synchronous event" or whether BellSouth's practice is inconsistent with
13 "TELRIC cost-causation principles" or is otherwise anticompetitive and
14 unfair should have been raised in prior proceedings – or could be raised in
15 a future cost proceeding. Raising the issue now is untimely and should be
16 rejected by the Commission.

17

18 Q. ON PAGE 20, DR. ANKUM STATES THAT BELLSOUTH IS BEING
19 ANTICOMPETITIVE BY CHARGING FDN DISCONNECT CHARGES
20 IN ORDER TO "DEFRAY[] SOME OF THE COSTS OF
21 BELLSOUTH'S WINBACK INCENTIVE PROGRAMS." IS THIS
22 CORRECT?

23

24 A. No. BellSouth's treatment and application of disconnect non-recurring
25 charges are compliant with Commission Orders and BellSouth and FDN's

1 Interconnection Agreement. Specifically, disconnect charges apply at the
2 time disconnect activity takes place and recover the costs associated with
3 the disconnection of facilities from the party that causes the disconnect
4 activities to take place --- FDN.

5

6 Q. DO YOU AGREE WITH THE LIST OF ELEMENTS ON PAGE 10,
7 LINES 5-8 THAT DR. ANKUM CLAIMS BELL SOUTH CHARGES
8 FDN WHEN DISCONNECTING A LOOP FROM FDN'S FACILITIES?

9

10 A. Not entirely. BellSouth charges a disconnect non-recurring charge
11 applicable for the loop type (e.g., SL1 or SL2) and the cross-connect. In
12 circumstances when FDN places the disconnect order, BellSouth will also
13 charge a service order charge for either manually-placed service orders
14 ("SOMAN") or electronically-placed service orders ("SOMEK").
15 However, in the case of a customer coming back to BellSouth or when
16 another CLEC wins FDN's customer and the loop has to be moved,
17 BellSouth does not charge FDN a SOMAN or SOMEK charge unless
18 FDN actually places a disconnect order.

19

20 Q. ON PAGES 10-13, DR. ANKUM ARGUES THAT BELL SOUTH
21 SHOULD NOT RECOVER SERVICE ORDERING CHARGES WHEN
22 FDN DOES NOT INITIATE A DISCONNECT ORDER. DO YOU
23 AGREE?

24

25

1 A. Yes. Although Dr. Ankum devotes almost three pages of testimony to
2 BellSouth's recovery of service order costs, as I stated above, it is not
3 BellSouth's practice to charge FDN a service ordering charge when FDN
4 does not directly place a disconnect order.

5
6 Q. IT APPEARS THAT THERE IS NO DISPUTE BETWEEN
7 BELLSOUTH AND FDN AS TO THE APPLICATION OF SERVICE
8 ORDER CHARGES. WOULD YOU AGREE?

9
10 A. Yes. BellSouth does not dispute FDN's position that service order charges
11 should not apply when FDN does not place a disconnect order. However,
12 it is appropriate to bill FDN service order charges when FDN issues a
13 Local Service Request ("LSR") to disconnect a loop. Even Dr. Ankum
14 agrees that such charges would be appropriate. (Ankum Direct, p. 9, lns
15 14-19.)

16
17 Q. ON PAGES 13-14, DR. ANKUM RAISES FDN'S CONCERNS THAT FDN
18 INCURS COSTS WHEN PROCESSING ORDERS FROM BELLSOUTH IN
19 WINBACK SITUATIONS AND ON PAGES 22-23, DR. ANKUM
20 PROPOSES THAT IF THE COMMISSION CONTINUES TO ALLOW
21 BELLSOUTH TO CHARGE DISCONNECT CHARGES TO FDN THAT
22 FDN BE ALLOWED TO RECOVER ITS COSTS FROM BELLSOUTH. DO
23 YOU AGREE WITH DR. ANKUM'S PROPOSAL?

24
25

1 A. No. BellSouth does not dispute that FDN is involved in processing an
2 order in which an FDN UNE-L customer chooses to return to BellSouth.
3 However, if FDN believes that it should be compensated for its activities,
4 the appropriate forum for raising this issue is in connection with the next
5 cost proceeding or during negotiations with BellSouth. There are no rates
6 in the current interconnection agreement associated with FDN's costs, and
7 it is not appropriate to rewrite the contract now to include such charges.
8 More importantly, FDN's end user is the cost causer for FDN in this
9 situation. FDN's end user makes the decision to change carriers, not
10 BellSouth. Thus, FDN cannot recover these costs from BellSouth.
11 However, FDN could recover its costs from its end user at the time of
12 installation in a manner similar to BellSouth's practice.

13

14 *Issue 3: In order to implement changes in rate zone designations, is it*
15 *necessary for the parties to negotiate an amendment to their interconnection*
16 *agreement?*

17 *Issue 4: In light of policy considerations, the parties' interconnection*
18 *agreements, Order Nos. PSC-01-1181-FOF-TP and PSC 02-1311-FOF-TP,*
19 *and any other applicable regulatory requirements, can BellSouth implement*
20 *changes in rate zone designations without implementing any associated*
21 *changed rates?*

22

23 Q. ON PAGE 25, DR. ANKUM STATES THAT "BELLSOUTH FAILED TO
24 NEGOTIATE AN AMENDMENT WITH FDN TO THE PARTIES' THEN-
25 EXISTING INTERCONNECTION AGREEMENT (THE PRE-2003

1 AGREEMENT) AS REQUIRED BY THE COMMISSION AND INSTEAD
2 UNILATERALLY IMPLEMENTED THE COMMISSION ORDER." IS
3 THIS TRUE?
4

5 A. No. During the time period from when the Commission issued the *120-day*
6 *Order* (September 27, 2002) to the signing of the current FDN Interconnection
7 Agreement (February 5, 2003), BellSouth and FDN were in the middle of
8 continued negotiations. On December 10, 2002, FDN requested an
9 amendment to implement the rates contained in the Commission's *120-day*
10 *Order*. BellSouth promptly prepared such amendment and offered it to FDN
11 for execution on December 27, 2002. Attached hereto as Exhibit CM-1 is the
12 correspondence between BellSouth and FDN regarding the request for an
13 amendment, with the proposed amendment attached thereto. For whatever
14 reason, FDN chose not to execute such an amendment and instead waited to
15 change the rates at the time it signed the entire agreement in early February
16 2003.

17
18 Q. DID BELL SOUTH UNILATARALLY IMPLEMENT THE COMMISSION'S
19 *120-DAY ORDER*?
20

21 A. No. BellSouth did not do anything unilaterally. As Ms. Blake testified in her
22 direct testimony, BellSouth implemented the rate zone change portion of the
23 Commission's order once BellSouth's billing system was programmed to
24 reflect the adjusted rate zone designations. The procedures BellSouth followed

1 in implementing the *120-day Order* were the same procedures that BellSouth
2 used to implement the *UNE Cost Order*.

3

4 Q. WAS BELLSOUTH'S ACTION IN IMPLMENTING THE RATE ZONE
5 CHANGE IN FLORIDA ANY DIFFERENT THAN IMPLEMENTING
6 SUCH CHANGES IN OTHER STATES?

7

8 A. No. There have been several states that have ordered changes to rate zone
9 designations from time to time and BellSouth has implemented each Order in
10 the same manner that it implemented the Florida Order. For instance, in the
11 same Carrier Notification Letter that BellSouth informed CLECs of the Florida
12 rate zone change, BellSouth also informed CLECs of a similar change going
13 into effect for wire centers in Tennessee. In 2003 when the Georgia Public
14 Service Commission ordered several wire centers to be reclassified, BellSouth
15 again issued a Carrier Notification Letter informing CLECs of the change.
16 While FDN is not yet active as a CLEC in Tennessee, FDN is an active CLEC
17 in Georgia, yet FDN did not protest BellSouth's implementation of the wire
18 center reclassification in Georgia.

19

20 Q. WOULD IT BE PLAUSIBLE FOR BELLSOUTH TO IMPLEMENT AN
21 ORDER SUCH AS THE *120-DAY ORDER* ON A CLEC-BY-CLEC BASIS
22 AS FDN IS SUGGESTING ON PAGE 26?

23

24 A. No. FDN is proposing that the *120-day Order* can only become effective when
25 BellSouth and a CLEC execute an amendment that incorporates the rates

1 contained in the *120-day Order*. FDN fails to consider the circumstances in
2 which a CLEC may not desire to incorporate such rates. Under those
3 circumstances, a CLEC may not need to amend its agreement and therefore,
4 the rate zone changes would not apply until they renegotiate their entire
5 interconnection agreement – possibly 3 years after the Order. It is logical to
6 conclude, however, that the Commission did not intend to create a situation in
7 which CLECs could avoid the modified rate zone designations.

8

9 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

10

11 A. Yes.

CROSS EXAMINATION

BY MR. KASSMAN:

Q Good morning, Mr. Morillo.

A Good morning.

Q Can you tell me, Mr. Morillo, what are your responsibilities as director of policy implementation for BellSouth?

A I represent BellSouth as a witness in proceedings like this, and as well as participate in various policy meetings and implementations throughout the company.

Q How long have you been in the telecom business, Mr. Morillo?

A Approximately 14 years.

Q And how long have you been in the local end of this business?

A About three years, three, three-and-a-half years.

Q Have you ever been employed in any kind of maintenance, repair or network operations capacity?

A No, I have not.

Q So it's fair to say you're not an engineer; is that correct?

A That is correct. I'm not a network expert. Yes.

Q Do you have any legal training, Mr. Morillo?

A No, I don't.

Q You say you work on policy issues. How long have you

1 been working on issues related to implementation of the Telecom
2 Act, Mr. Morillo?

3 A Since the beginning of May of this year.

4 Q So about five months then?

5 A Yes, approximately.

6 Q Mr. Morillo, are you familiar with the term "hot
7 cut"?

8 A Yes.

9 Q How would you define a hot cut, Mr. Morillo?

10 A My understanding of hot cut is a loop conversion; any
11 time that BellSouth converts a loop from a UNE-P to a UNE-L,
12 that is considered a hot cut. It's a process, a definition.

13 Q So does your definition include migration in service
14 from one carrier to another?

15 A Yes. You can construe that -- yeah. Any time that a
16 loop conversion has occurred, that is, could be considered as a
17 hot cut.

18 Q Okay. Under that definition then would you agree
19 that when FDN wins a customer from BellSouth and plans to serve
20 that customer via UNE-L, that a hot cut must take place?

21 A The process of converting a loop, yes, it is a hot
22 cut.

23 Q Okay. So under that same definition, wouldn't you
24 agree that when BellSouth wins that UNE-L customer back from
25 FDN, that a hot cut will be needed, will need to occur in order

1 to effectuate that winback?

2 A I believe I stated that any time that there's a loop
3 conversion, it is considered, the process is considered a hot
4 cut.

5 Q Okay. So in the first situation I described there's
6 a hot cut, and in the winback situation it simply works in
7 reverse; right?

8 A Simply, yes. It's -- the process is the same.

9 Q So one could characterize that fairly as a reverse
10 hot cut, if you will; correct?

11 A Yes. If that's the term you wish to use, yes.

12 Q Okay. Mr. Morillo, are you familiar with the
13 activities that take place to effectuate a hot cut or a reverse
14 hot cut?

15 A I'm not a network expert so -- but there are certain
16 activities that do take place. There's jumpers that are
17 disconnected and there are processing that occurs in the
18 systems to make sure the change, the conversion is effectuated.

19 Q Mr. Morillo, I'd like to point you to BellSouth's
20 responses to FDN's second set of interrogatories. Do you have
21 that in front of you?

22 A Let me check. Yes, I have some.

23 Q Okay. If you could please -- I'm sorry. If you
24 could please turn to the page labeled Item Number 4, Page 1 of
25 2, and let me know when you're there.

1 A Yes, I'm here.

2 Q Thank you. If you could read the question at the top
3 of that page and read subsection B for me, please.

4 A "Referring or relating to instances in which
5 BellSouth wins back a UNE-L basic voice grade customer from
6 FDN, please identify and describe in detail," and Section B,
7 "all activities performed by BellSouth technicians to migrate
8 that customer from FDN's networks to BellSouth networks."

9 Q Thank you, Mr. Morillo. If you could now turn two
10 pages forward to the page labeled Item Number 4B. Tell me when
11 you're there.

12 A The subsequent page, Page 2 of 2, is that -- I see
13 Item B here.

14 Q Yes. It says Item Number 4B Attachment, Page 1 of 2.

15 A Right.

16 Q Right. Okay. If you could read for me, please, what
17 it says beginning with the fourth bullet point from the bottom
18 of the page.

19 A "If wire on due date," is that --

20 Q Below that, "the jumper."

21 A "The jumper is run from the new assignment to the
22 facility assignment appearance."

23 Q Continue please.

24 A "The connections to the UNE loop will be removed.
25 Connections will be completed to the new assignment provided on

1 the order."

2 Q That's fine, Mr. Morillo. Thank you. I'd like to
3 key in on a couple of those work steps you just mentioned.

4 You said that the connection to the loop will be
5 removed and you also stated that the connection will be
6 completed to the new assignments; correct?

7 A That's what I read, yes.

8 Q Thank you. Would you agree with me, Mr. Morillo,
9 that the removal of the loop connection which you referred to
10 is simply another way to describe a disconnect?

11 A The loop -- that could be part of what a disconnect
12 entails.

13 Q Well, isn't that what --

14 A That seems to be, that seems to be, from what I'm
15 reading, one of the steps. Not all of it. I don't see other
16 steps here.

17 Q But basically what that says is the connection to the
18 loop is, UNE loop is being disconnected. It says removed, but
19 essentially it means the same thing; correct?

20 A The connections to the UNE loop will be removed, yes,
21 that's what I read. I'm not certain -- if you have a more
22 specific question.

23 Q No. That's fine, Mr. Morillo.

24 Wouldn't you also agree with me, Mr. Morillo, that
25 when you say the connection will be completed to the new

1 assignment, that it's simply another way to describe the
2 installation of that loop back to BellSouth's switch?

3 A I could not, from reading just this sentence,
4 construe that. I don't know if there are other steps that
5 happen beyond these steps to actually install the, the customer
6 to BellSouth.

7 These, by the way, if you read on top of the page,
8 these are central office provisions and procedures, so I guess
9 they're describing in this instance provision and installation
10 of an order for loops or wires. So it has nothing -- so here,
11 besides that bullet point that you made me read, "The
12 connections to the UNE loop will be removed," there's no other
13 indication what other steps there might be to complete the
14 process.

15 Q Well, this is BellSouth's response to FDN's
16 interrogatory asking for a complete list of all the steps
17 required to migrate a customer. So wouldn't you agree then,
18 Mr. Morillo, that those are the steps involved, there are no
19 others?

20 A Sir, I'm sorry. No, I, I can't agree that only this
21 page might be the steps that are taken. I'm not -- I'm not a
22 network -- I'm not a network expert, so I'm not certain if
23 there are other steps that take place.

24 Q So are you, are you suggesting that perhaps
25 BellSouth's response to FDN is incomplete?

1 A No, I'm not. I mean, there might, there are other,
2 there are other pages here that describe, I mean other steps
3 that have to be accomplished to, to effectuate this change. So
4 only by reading this page is misleading.

5 So there -- I mean, there are other, there are other
6 tasks that take place on the subsequent pages of the
7 interrogatory.

8 Q Mr. Morillo, in a hot cut the install or the removal
9 of the connection from the loop, removing the jumper that
10 connects the loop and reconnecting that jumper to its new
11 assignment, that's really a synchronous event, isn't it? It
12 happens over a very short span of time, a few seconds perhaps.

13 A I believe, as Ms. May explained earlier, that the hot
14 cut process could potentially take up to 20 minutes to
15 complete. The actual simultaneous synchronous event that
16 you're referring to of transferring the service from one port
17 out to the other I believe maybe happens in a shorter period of
18 time. But there are steps prior and after that physical
19 transfer of service that take place.

20 Q And all those steps you're referring to, Mr. Morillo,
21 aren't all those steps for the benefit of BellSouth for its --
22 and its winback customer to install that customer?

23 A No, I would have to disagree. At the beginning FDN,
24 if we're talking about your example of FDN transferring --
25 BellSouth winning back a customer, at the beginning FDN

1 receives services, installation services and, you know, accrued
2 benefit through a period of tenure that that customer had with
3 FDN for a long period of time.

4 The Commission, through the order in 1998, separated,
5 as Ms. Mays mentioned this morning, the two events of
6 installation and disconnection; however, throughout the start
7 and entire tenure of the customer with FDN, FDN accrued
8 benefit. So at this point in time, based on the Commission's
9 decision in 1998 to separate the two installation and
10 disconnection recurring charges, we are charging FDN for that
11 part that we had not, hadn't been able to charge before.

12 Q Isn't it true, Mr. Morillo, that the disconnect
13 that's referred to in that order that you mentioned refers to
14 stand-alone disconnects, not disconnects in winback situations?

15 A It would be presumptuous on my part to say that the
16 Commission never envisioned that whether it be BellSouth, FDN
17 or any other CLEC, that they would never lose a customer, that
18 there would not be a migration from an FDN base to a BellSouth,
19 from FDN to AT&T, whoever the CLECs might be. So, I mean,
20 that's a question for the Commission perhaps and it could be
21 dealt with in a different, different setting. This is a, this
22 is primarily a proceeding to, to decide whether or not FDN
23 actually complied with the terms of the contracts that it had
24 with us to pay for those services that we render.

25 Q Mr. Morillo, to your knowledge is there any mention

1 of the word "winback" even in that 1998 order that you cite?

2 A I -- no, I have, I have not seen a mention of a
3 winback, the term "winback" in the 1998 order. Again, I'll
4 restate that I -- it would be presumptuous on my part that the
5 Commission at that time when they were evaluating the case,
6 that they never anticipated, especially if there were three
7 CLECs that participated in the proceeding, that there would
8 never be a migration between customers, I mean, between CLECs,
9 that AT&T, MCI and MFS, which were the three participants in
10 the order, would never lose a customer either to BellSouth, to
11 FDN. So I -- the term "winback" might be a relatively newer
12 term, but it still implies a migration from one CLEC to
13 another, which I expect that would occur in a competitive
14 marketplace.

15 Q Mr. Morillo, I'm not sure if you've answered this
16 question. Let me ask you this. When BellSouth performs a
17 reverse hot cut to effectuate a winback from FDN, who benefits
18 from that transaction?

19 A Well, the benefit was accrued by FDN from the time we
20 installed the customer until the time the customer
21 disconnected. There is a benefit accrued all the way
22 throughout the tenure of, of stay of the customer, the
23 end-user, an FDN customer. So there was a benefit that FDN
24 accrued throughout the tenure.

25 Q Isn't it true that, that BellSouth derived some

1 benefit from this winback activity, from this disconnection
2 from FDN and installation of BellSouth?

3 A It would be the same, same as saying -- no, it's not
4 true -- I'm sorry. It is true that BellSouth will accrue some
5 benefit just the same as it is true that AT&T or any other CLEC
6 would accrue benefit of having a new customer in the customer
7 base.

8 However, FDN, through the tenure of the life of the
9 customer with FDN, accrued benefit as well up 'til the time the
10 customer left.

11 Q Well, I want to be very clear about this,
12 Mr. Morillo. So you're saying, yes, that there is some benefit
13 conferred upon BellSouth; is that your testimony today?

14 A There would be benefit when a new customer joins
15 BellSouth as a customer or AT&T as a customer. I would not
16 refute that. Nor -- I mean, I'm assuming that you would think
17 the same if a customer that you gained would come to you, you
18 would think that's a benefit to you as a company.

19 However, in this particular case we're looking at
20 nonrecurring charges for disconnection of services, and at that
21 point in time we're looking at who had the customer, and in
22 your case FDN had the customer for a long period of time and
23 they drew benefit from having that relationship with that
24 customer for a long period of time.

25 Q Mr. Morillo, I'd like to, I'd like to take you back

1 to the list of activities which you read for me earlier, the
2 activities that take place to effectuate a hot cut.

3 Again, aren't all of those activities performed by
4 BellSouth necessary to install BellSouth's winback customer?

5 A Are we referring to an interrogatory? Is that what
6 we're looking at or --

7 Q That is correct. That list that you read for me
8 earlier.

9 A I believe, sir, that I answered that these are
10 probably -- those two or three pages of information are steps
11 that are probably taken by field technicians or central office
12 provisioning. There are various groups that are obviously
13 involved in doing that particular task.

14 Q That's not -- I'm sorry, Mr. Morillo. That's not my
15 question.

16 What I'm asking you is the list of activities that
17 you read, aren't all of those necessary for you to install that
18 customer as a, as a winback customer?

19 A Let me read them out loud and make sure that I'm
20 reading the same thing, if you'll allow me.

21 If the wire -- on a due date -- "If wiring a due date
22 the jumper is strung, the connections to the UNE loop will be
23 removed. The connections will be completed for the
24 assignment." Again, these three bullet points that you've
25 asked me to read are part of other things that are taking

1 place, so they're not exclusive, the only steps that take place
2 to install a customer. They're just this one piece.

3 Q Again my question is, Mr. Morillo, don't all those
4 steps need to take place though for BellSouth to install
5 service to its new customer?

6 A Yes, sir. These have to take place, plus other steps
7 have to take place.

8 Q That's fine, Mr. Morillo. Thank you.

9 I believe you just stated earlier that a, that a
10 winback benefits BellSouth; correct? Is that your testimony?

11 A Yes, sir. It will benefit BellSouth or anybody else
12 that the, the customer has stopped using as a, as a provider of
13 service.

14 Q If Bell -- if there's some benefit conferred on
15 BellSouth, shouldn't BellSouth bear the costs associated with
16 migrating the customer back to BellSouth?

17 A No, sir. In this case, the particular case that you
18 are, the example that we're using, again I'll restate that FDN
19 had this customer for a period of time. You didn't give me a
20 time, so I'm assuming a period of time. And FDN derived
21 benefits from that customer over a period of time. Based on
22 what the Commission decided in a 1998 arbitration order, we
23 separated the disconnection and the installation charges, and
24 at this point in time we're just trying to recoup the cost of
25 disconnecting the service from FDN.

1 Q So you're telling me that BellSouth received some
2 benefit, but yet BellSouth shouldn't bear any costs associated
3 with that migration; is that your testimony?

4 A I'm not certain that I follow your question, sir.
5 I'm sorry.

6 Q I think you've just stated to me -- I think if we, if
7 I asked the court reporter to read back your response, we'll
8 find that you've told me that BellSouth receives a benefit from
9 winning back the customer, yet BellSouth shouldn't bear any
10 costs associated with that.

11 A I am -- if you're asking me whether BellSouth
12 internally collects installation fees -- I'm not certain what
13 the question is. I, I mean, if you can --

14 Q That's fine, Mr. Morillo. I'll move on. Thank you.

15 Mr. Morillo, I'd like to point you to the
16 Commission's May 25th, 2001, order in Docket 990649. Do you
17 have a copy of that in front of you?

18 A No, I don't, sir.

19 MR. KASSMAN: Counsel?

20 BY MR. KASSMAN:

21 Q I think I've got a copy for you, Mr. Morillo.

22 A Okay.

23 Q Can you please turn to Page 338, Mr. Morillo.

24 A Okay.

25 Q Okay. Can you please read for me the sentence in the

1 last full paragraph that begins with, "We agree with
2 AT&T/WorldCom."

3 A "We agree with AT&T/WorldCom Witness King that
4 nonrecurring activities are those that benefit only the
5 specific ALEC. With appropriate" --

6 Q That's fine. Thank you, Mr. Morillo.

7 Mr. Morillo, you stated earlier that BellSouth
8 receives a benefit from winning back a customer. If that's the
9 case, isn't the disconnect nonrecurring charge assessed to FDN
10 inappropriate based on what you just read?

11 A No, sir. I guess I'll have to restate it again.

12 FDN, by winning the customer originally, incurred
13 costs to install the customer, to provide the services to the
14 customer and to actually, at the end when FDN loses a customer,
15 to disconnect a customer. So FDN accrued the benefits. FDN
16 throughout the period of time also received benefits.

17 Q Assuming that's true, that FDN did receive a benefit,
18 you've stated that BellSouth has received a benefit as well.
19 Doesn't the passage that you just read say that nonrecurring
20 activities and, therefore, nonrecurring charges are only
21 appropriate in situations that benefit only a specific carrier?

22 MS. MAYS: With all due respect, Commissioner Deason,
23 I believe the witness -- the attorney and the witness have gone
24 over this ample times. If the attorney wants the witness to
25 sit here and read the entire UNE cost order and try to

1 summarize it, I suppose we could take some time and do that.
2 But the objection is it's been asked and answered, and I'd ask
3 that he move on.

4 COMMISSIONER DEASON: There's been an objection.

5 MR. KASSMAN: I'll move on.

6 COMMISSIONER DEASON: Very well.

7 BY MR. KASSMAN:

8 Q Mr. Morillo, you stated in your deposition testimony
9 that you didn't see any reference to winbacks in this order
10 that you just read from. Is that correct? Is that still your
11 testimony?

12 A Yes, sir. The, the portions of that document that I
13 read I did not see any references to winback. Again I'll state
14 what I stated earlier, that it would be presumptuous on my part
15 to have expected the Commission not to have the assessment,
16 analysis of all these charges and costs, to have not thought
17 about the fact that the customers would be migrating from
18 company to company. It is a competitive market and the
19 expectation should be implicit in any analysis, sir.

20 Q Mr. Morillo, I'd like to refer you to BellSouth's
21 confidential response to FDN's third request for production of
22 documents, Item Number 5.

23 Mr. Morillo, can you please turn to Bate stamped
24 page -- well, actually -- I'm sorry.

25 Can you please turn to Bate stamp page number 306,

1 please. Let me know when you're there, please.

2 A I'm sorry. Can you repeat that? I'm -- what page
3 number?

4 Q Bate stamp page 306 in the bottom right-hand corner,
5 the last three digits would be 306.

6 A Okay. Hold on a minute. Okay, sir.

7 Q Can you read for me the title of this document at the
8 top of the page?

9 A Central Office Winback Procedures.

10 Q Thank you. And do you see there's some characters
11 there below that, some numbers and letters?

12 A Yes.

13 Q And then below that there's some information. Can
14 you read for me, please, Mr. Morillo, what does it say below
15 those characters and numbers?

16 A It says, Issue 1, October 2001.

17 Q Thank you. So would it be fair to say that this is
18 the first aeration of this document?

19 A Based on my experience in our companies, it normally
20 requires a lot of internal dialogue to produce a document with
21 this much detail. So it might be the first time it was
22 published; however, there could potentially have been multiple
23 drafts of this document prior to this date.

24 Q Okay, Mr. Morillo. So would it be fair to say that
25 this document was first issued after the Commission's May 25th,

1 2001, final UNE order?

2 A Yes, sir. It would have to -- that would make sense,
3 if the Commission order was in May of the same year.

4 Q Thank you, Mr. Morillo. If that's the case, isn't it
5 true that the Commission could not have considered winback
6 procedures, activities, work times, et cetera, when it set a
7 rate for the disconnect nonrecurring charge?

8 A No, sir, I would have to disagree with you. The
9 Commission might have not used the term "winback," but I would
10 assume that the Commission did evaluate whether or not a
11 customer would be moving from one carrier to the other, maybe
12 not with the term "winback."

13 Q Mr. Morillo, have you reviewed BellSouth's cost study
14 filed in Docket 990649-A?

15 A No, sir. I have read sections of the, the order
16 referring to that cost docket.

17 Q So then you really don't know whether it included any
18 data concerning winback activities and work times; correct?

19 A The -- I'm sorry. The cost?

20 Q The cost study.

21 A I don't know. Yes. I don't know whether they're
22 included.

23 Q Thank you, Mr. Morillo. Assuming it's true that
24 BellSouth's cost study does not contain such data, isn't it
25 true then that the disconnect NRC set by this Commission

1 applies only to stand-alone disconnects?

2 A I'm sorry. I didn't quite follow your question, sir.

3 Q I'll move on. I'd like to refer you back,
4 Mr. Morillo, to the AT&T/MCI arbitration order with BellSouth.
5 Have you got that in front of you?

6 A No, I don't.

7 Q Okay. Mr. Morillo, can you read for me the date that
8 that order was issued?

9 A Issued April 29th, 1998.

10 Q So then that order was issued prior to the final
11 BellSouth UNE order in Docket 990649; correct?

12 A Yes, sir. If that other document you're referring to
13 is the one I just read for you, yes.

14 Q Yes. So this document in front of you was also
15 issued prior to BellSouth's issuance of its central office
16 winback procedures document; correct?

17 A Yeah. That makes chronological sense, sir.

18 Q So, again, isn't it true the disconnect charge
19 referred to in the 1998 arbitration order where BellSouth was
20 required to separate installation and disconnect charges, that
21 the disconnect charge there simply is a stand-alone disconnect
22 charge?

23 A Yes. It is a disconnect charge regardless of what
24 happened to the customer, where the customer comes from or
25 goes.

1 Q Mr. Morillo, do you know what percentage of the time
2 BellSouth reuses loop facilities?

3 A No, sir, I'm not familiar with that.

4 Q Do you know what percentage of the time there's fuel
5 work associated with the loop in a hot cut?

6 A No, sir, I'm not familiar with that.

7 Q On Page 25 of your deposition testimony, I think it's
8 Line 10 -- have you got your deposition testimony in front of
9 you, Mr. Morillo?

10 A I don't think so, sir. Sorry.

11 Q Do you need a copy of that?

12 A Sure.

13 Q Again, if you can turn to Page 25 for me, please.

14 A Okay.

15 Q I think the numbers run along the left-hand side
16 there. There should be a Page Number 25 that kind of --

17 A At the bottom right, yes.

18 Q Well, no, I'm sorry. It's in the, it's in the middle
19 of the page there.

20 A Okay. Sorry.

21 Q Are you there?

22 A Yes, sir, I am.

23 Q Okay. At about Line 10 you state that there's no
24 work associated with the loop during a hot cut, but that all
25 the central office work is associated with the jumpers or

1 cross-connects; correct?

2 A Hold on a minute. Let me read. You said Line 10 out
3 of 25?

4 Q Yeah. Well, I think the discussion actually starts
5 earlier perhaps on the previous page, but your response, excuse
6 me, your response on Line 10 is yes.

7 A Okay. I see where I say yes. And can you be a
8 little more specific what you want me to read or reread?

9 Q One moment, Mr. Morillo. Actually why don't you move
10 up to Line 24. Do you see that Line 24 where it says "I'm
11 asking you" in the middle of the page?

12 A Yes, I see that.

13 Q If you can read starting at Line 24 for me, please.

14 A "I am asking you, is it correct that there's really
15 not work associated with a loop and the work in the central
16 office relates to the jumper; isn't that true, Mr. Morillo?"

17 Q And your response there was what?

18 A "Jumpers and systems, yes."

19 Q And then my response was?

20 A You asked the question, "Not the loop; correct?"

21 "And the loop being the connection between the
22 central office and the customer premise?"

23 And you said, "Yes, correct. I'll accept that
24 definition for these purposes."

25 And I said, "Yes."

1 Q Okay. So basically you've agreed with me there that
2 there's no work associated with the loop during a hot cut, but
3 that all the work in the central office relates to the jumpers.
4 I think that's clear.

5 A I'm --

6 Q To the extent that FDN should be assessed a
7 disconnect nonrecurring charge at all, should it be the charge
8 associated with the cross-connects, which I believe mentioned,
9 was mentioned earlier today is somewhere in the neighborhood
10 of \$5?

11 A I'm sorry. Can you repeat the question, sir?

12 Q Yes. To the extent that FDN should be assessed a
13 disconnect nonrecurring charge at all, should it be the
14 charge -- shouldn't it be the charge associated with the
15 cross-connects, which I believe we established earlier is
16 somewhere in the neighborhood of \$5?

17 A I believe that when you asked the question of
18 Ms. Clark there were two USOCs that you mentioned that combined
19 to create the disconnect charge. I don't remember if it added
20 up to \$5 or more, but there were two items that you mentioned.

21 Q Yes. And the one was the cross-connect charge; I
22 believe it was \$5.74.

23 A Plus the other one. Yes, I would think combined that
24 would be the disconnect charge.

25 Q Well, you've just stated that there's really no work

1 associated with the loop and that all the work has to do with
2 the cross-connect. So shouldn't the charge really be, if we're
3 to be assessed the charge at all, \$5.74?

4 A I'm not a cost expert, sir. These things were
5 reviewed prior in the UNE docket and there's more extensive
6 discussion of what is included/not included in there. So I
7 don't know how to answer your question.

8 Q That's fine, Mr. Morillo. Thank you. One moment,
9 please.

10 Mr. Morillo, can you tell me what the difference
11 between a designed and a nondesigned loop is?

12 A I'm not an expert on the network. Based on what I've
13 learned, the design includes more testing equipment on the
14 line, and the other one, the nondesigned doesn't. That's the
15 extent of my knowledge on wiring.

16 Q Okay. I've got a hypothetical for you, Mr. Morillo.

17 A Okay.

18 Q Let's say FDN wins a customer from BellSouth and is
19 forced to order a designed loop from BellSouth because there's
20 IDLC on that loop serving the customer. So what BellSouth does
21 to engineer around that IDLC is to provide FDN with a parallel
22 copper pair. When BellSouth wins that customer back from FDN,
23 does BellSouth continue to provide service over that parallel
24 copper pair or does it roll the customer back onto the IDLC-fed
25 loop?

1 A Sir, I'm not a network expert, so most of the terms
2 that you used are way above my head.

3 Q Okay. That's fine. Mr. Morillo, I'd like to point
4 you back to -- I'm hoping Mr. Feil hasn't collected them yet --
5 the Central Office Winback Procedures document.

6 A He was very efficient. He took it back already.

7 Q And I'd like you to turn for me, please, to Bate
8 stamped page number 478. It's about at the end of that
9 document.

10 A Okay.

11 Q Can you please read the question and answer for me
12 beginning with, "Does BellSouth try to reuse facilities?"

13 A "Does BellSouth try to reuse facilities? Absolutely.
14 One of the primary purposes of the ROTNAC EUM group is to
15 identify and reuse TYs and LYs, simple voice grade UNE
16 circuits. We do not attempt to reuse DIs, DSLs or other design
17 circuits. We also cannot reuse facilities involving ISLC
18 inside door port scenarios."

19 Q Thank you, Mr. Morillo. So based on what you just
20 read, is it safe to assume that BellSouth will reuse the
21 parallel copper pair in my hypothetical?

22 A I'm, I'm not certain how what I just read ties into
23 your hypothetical, sir. I'm not certain what preceded these
24 pages in your document I'm reading.

25 Q All right. That's fine, Mr. Morillo. I'll move on.

1 Thank you.

2 Mr. Morillo, did you hear Ms. Clark's testimony
3 earlier regarding the fact that BellSouth does not charge FDN a
4 SOMAN or SOMECH charge for a winback disconnect order because
5 BellSouth initiates the disconnect?

6 A Yes, I heard that, sir.

7 Q If BellSouth initiates the disconnect orders, isn't
8 BellSouth the cost causer of the winback disconnect, Mr.
9 Morillo?

10 A No, sir. I think I already stated earlier that FDN
11 is the cost causer in this case because FDN was the one that
12 originally asked BellSouth to provide services for that loop;
13 therefore, this is the end of the relationship with FDN and the
14 disconnect charges associated with that loop are FDN's doing
15 because at the beginning it asked BellSouth to provide this
16 service, it asked BellSouth to provide this loop from the first
17 time the customer became an FDN customer.

18 Q Mr. Morillo, wouldn't you agree that often times
19 those two points in time are quite remote from one another,
20 establishing service initially and then disconnecting service?

21 A Yes, sir. It could be remotely years, it could be
22 months, it could be weeks. And going back to the 1998 order, I
23 think the Commission and staff and the analysis that they did
24 at that time felt that they could go ahead and separate the two
25 activities, and the time frame was probably irrelevant in their

1 analysis. But at the end it was a decision the Commission made
2 to separate the two costs.

3 Q And in your mind, as remote as those two instances
4 may be, that's sufficient to establish causation?

5 A Well, the fact that, sir, yes, the fact that the, the
6 customer was an FDN customer for a long period of time caused
7 the facilities that BellSouth had assigned to them to be used,
8 to be utilized, so it caused the cost of installation and
9 disconnection of that facility whether it happened a month, a
10 week, a year or three years down the road.

11 Q Wouldn't you agree, Mr. Morillo, that an intervening
12 or supervening act by BellSouth, for instance, to woo that
13 customer away from FDN would break what you considered to be
14 the chain of causation and actually make BellSouth the true
15 cost causer?

16 A No, sir, I could not agree to that because just as
17 BellSouth could have programs to acquire customers, any other
18 CLEC could have programs to acquire customers.

19 Q I'm sorry. One moment, please.

20 A Okay.

21 Q Mr. Morillo, let's talk for a moment about the zone
22 dispute.

23 A Okay.

24 Q I'd like to refer you to the Commission's 120-day
25 order in Docket 990649. Do you happen to have a copy of that?

1 A No, sir, I don't have a copy of that.

2 Q I believe I passed out a copy earlier.

3 If you could please turn to Page 115 for me.

4 A Okay.

5 Q At the bottom of the page where it says, "Closing
6 docket," can you please read the second sentence for me
7 beginning with, "Therefore, upon consideration"?

8 A "Therefore, upon consideration we find that it is
9 appropriate for the rates to become effective when the
10 interconnection agreements are amended to reflect the approved
11 UNE rates and the amended agreement becomes effective under
12 law."

13 Q Thank you, Mr. Morillo. And what is your
14 interpretation of that sentence?

15 A My interpretation of that sentence, sir, is that the
16 rates should be or could be changed when the agreements are
17 amended.

18 Q Okay, Mr. Morillo. Will you agree with me,
19 Mr. Morillo, that the 120-day order moved certain wire centers
20 to different rate zones?

21 A Yes, sir.

22 Q Okay. And isn't it true, Mr. Morillo, that BellSouth
23 implemented this new zone structure without amending the
24 BellSouth/FDN interconnection agreement?

25 A BellSouth did amend the inter, I'm sorry,

1 interconnection agreements for the rates. BellSouth moved the
2 wire centers in our billing systems prior to the amendments
3 being completed. It's highly impractical for BellSouth to
4 negotiate individual agreements and modify rates with each
5 individual CLEC. And if we would have done that to begin with,
6 we would not probably have implemented the rates, the order as
7 the Commission had planned. So --

8 Q Mr. Morillo, in your opinion what entitles BellSouth
9 to unilaterally implement those changes without an amendment?
10 Is there something in the agreement?

11 A Yeah. I think we -- Ms. Mays referred earlier today
12 that there are clauses in the agreement that allow us to point
13 the CLECs to a Web site and notifications that we sent the
14 CLECs, a carrier notification letter that was sent very close
15 to the date of the order telling them that there had been
16 changes, that the Commission had ordered changes to the rate, I
17 mean, to the wire centers that had moved wire centers from
18 zones, in between zones. So we made sure that we sent a
19 carrier notification letter to all the CLECs to let them know
20 that. And then we engaged with the CLECs to review the rates,
21 negotiate the rates individually, and then amend the contracts.
22 And the contract, as far as I can tell, we only have rates. We
23 don't have wire centers in the contract. We make reference to
24 the wire centers via the Web site because we, BellSouth, we do
25 not control where the zones and the wire centers, what zones

1 they belong to. The Commission does. So we were just
2 complying with the Commission order when we made those changes
3 moving wire centers from zone to zone.

4 Q Isn't it true, Mr. Morillo, that the interconnection
5 provision you're referring to is really there to address
6 BellSouth changes in business practices, not changes in law?

7 A I'm, I'm not an attorney, so I'm not certain what
8 provision you might be discussing, I mean, asking me about.

9 Q Well, I'm referring to the provision that, that
10 you've just cited for us.

11 A That in the agreement we have a way to communicate
12 changes that the Commission has ordered? Is that what you're
13 asking me? I'm --

14 Q Never mind, Mr. Morillo. I'll withdraw the question.

15 Mr. Morillo, you've reviewed the agreement that we're
16 discussing; correct?

17 A Yes. Lots of portions of the agreement, yes.

18 Q Would you agree with me that there's a separate
19 provision in there to address changes in law?

20 A Yes, sir, I believe there's a change in the law.

21 Q That's different from the provision that you're
22 referring to?

23 A Yes.

24 Q Mr. Morillo, wouldn't you characterize what the
25 Commission did with the wire centers, reallocating them to

1 different zones, wouldn't you consider that a change in law?

2 A Actually, I'm not an attorney, so I don't know what
3 actually that would be considered. Whether it's a change from
4 law -- or to, to me the law didn't change; my lay person
5 understanding, the law didn't change. The Commission simply
6 made changes in reallocating wire centers to the zones that
7 follow prior dockets and prior analysis that the Commission had
8 done in terms of defining the zones and the wire center
9 combination. So I don't -- as a lay person I don't think
10 that's a change in law. But, again --

11 Q Would you accept, subject to check, Mr. Morillo, that
12 the interconnection provision which sets out the procedures to
13 follow upon a change in law requires that the parties amend the
14 interconnection agreements to effectuate that change in the
15 law?

16 A Subject to check, yes. I --

17 Q Thank you, Mr. Morillo.

18 A If I may say something else though. In this case the
19 rates were changed after we negotiated with FDN. We actually
20 engaged in negotiations with FDN and adjusted some of those
21 rates based on our discussions with them. Our interpretation
22 was those were the rates the Commission wanted us to at least
23 minimally accept. But after negotiation there were certain
24 rates that actually were adjusted and based on our discussions.
25 So we did amend the contract or the rates in the contract after

1 negotiating with FDN.

2 Q I'm sorry. I'm not clear, Mr. Morillo. You're
3 saying that BellSouth negotiated an amendment with FDN. Was
4 that amendment executed?

5 A I believe the -- what I'm referring to, that after
6 the order came out and we did make the changes to the wire
7 centers to put in different zones, we did sit down with FDN to
8 negotiate the rates and then included them, I believe, in the
9 February 2003 contract.

10 Q Okay. But, but I just want to be clear, you never
11 amended the interconnection agreement to implement the
12 Commission's order with respect to the reallocation of wire
13 centers; correct?

14 A I believe I said that we sent a carrier notification
15 letter a week or two after the order was published that allowed
16 the CLECs, all CLECs in Florida to realize that there were
17 changes in wire center designations, and after that we engaged
18 individually with each CLEC to negotiate the rates and it
19 probably took a long time. So that's what I was saying
20 earlier, that it is extremely difficult to implement a change
21 in rate if, in your case, we were not allowed to do it the way
22 we did it. It would have taken months for us to have changed
23 all the rates, all the wire centers for all the CLECs. It's
24 impractical, I believe, to have waited potentially six to nine
25 months to have effectuated the changes that the Commission

1 ordered in September of 2002.

2 MR. KASSMAN: Thank you, Mr. Morillo. That's all I
3 have.

4 COMMISSIONER DEASON: Staff?

5 MR. FORDHAM: Staff has no questions.

6 COMMISSIONER DEASON: Commissioners? Redirect?

7 MS. MAYS: Just two questions, Commissioner Deason.

8 REDIRECT EXAMINATION

9 BY MS. MAYS:

10 Q Mr. Morillo, do you recall that counsel asked you
11 some questions about a discovery, some BellSouth discovery? Do
12 you still have that with you?

13 A Yes.

14 Q Can you tell me, Mr. Morillo, if your name appears on
15 the persons responsible for answering that question?

16 A No.

17 Q Your name does not appear?

18 A No, it doesn't appear.

19 Q Okay. And counsel for FDN also asked you some
20 questions about the Central Office Winback, and in particular
21 asked you about the date of that document. And I believe the
22 date referred to was October of 2001. Do you recall those
23 questions?

24 A Yes.

25 Q And are you familiar, Mr. Morillo, with the fact that

1 there was a key customer proceeding that was sometime after
2 that date?

3 A Yes, I'm familiar with a key customer proceeding.

4 MS. MAYS: Thank you. That's all I have.

5 COMMISSIONER DEASON: I believe we've already
6 addressed exhibits. Very well, Mr. Morillo, you may be
7 excused.

8 THE WITNESS: Thank you.

9 COMMISSIONER DEASON: He's the last witness; correct?

10 MS. MAYS: Yes, Commissioner.

11 COMMISSIONER DEASON: Okay. Mr. Fordham, where are
12 we at this point?

13 MR. FORDHAM: Commissioner, the transcript should be
14 available no later than October 13th, and briefs are due on
15 November the 5th.

16 COMMISSIONER DEASON: Okay. The parties are aware of
17 the briefing schedule. Is that acceptable?

18 MS. MAYS: Yes, Commissioner.

19 MR. KASSMAN: Yes, Commissioner.

20 COMMISSIONER DEASON: Very well. Staff, when do we
21 anticipate this being brought to the Commission?

22 MR. FORDHAM: We have a tentative agenda date of
23 January 18th, and that should be realistic, Commissioner. I
24 would expect that that will be the, the date it'll be brought,
25 recommendation to be filed on January the 6th.

1 COMMISSIONER DEASON: Okay. Do we have anything else
2 to come before the Commission at this time? Hearing none,
3 thank you all. This hearing is adjourned.

4 (Hearing adjourned at 12:45 p.m.)
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1
2 STATE OF FLORIDA)
3 COUNTY OF LEON)
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CERTIFICATE OF REPORTERS

5 WE, TRICIA DeMARTE, RPR, and LINDA BOLES, RPR,
6 Official Commission Reporters, do hereby certify that the
7 foregoing proceeding was heard at the time and place herein
8 stated.

9 IT IS FURTHER CERTIFIED that we stenographically
10 reported the said proceedings; that the same has been
11 transcribed under our direct supervision; and that this
12 transcript constitutes a true transcription of our notes of
13 said proceedings.

14 WE FURTHER CERTIFY that we are not relatives,
15 employees, attorneys or counsel of any of the parties, nor are
16 we relatives or employees of any of the parties' attorneys or
17 counsel connected with the action, nor are we financially
18 interested in the action.

19 DATED THIS 12TH DAY OF OCTOBER, 2004.

20
21
22
23 Tricia DeMarte
24 TRICIA DeMARTE, RPR
25 FPSC Official Commission Reporter
(850) 413-6736

26
27
28
29 Linda Boles
30 LINDA BOLES, RPR
31 FPSC Official Commission Reporter
(850) 413-6734

1	EXHIBITS		
2	NUMBER:	ID	ADMTD
3	1 Official Recognition List	9	10
4	2 FDN's Responses to Discovery	9	10
5	3 Witness Ankum's Deposition Transcript and Exhibit	9	10
6	4 Witness Warren's Deposition Transcript	9	10
7	5 BST's Responses to Discovery	9	10
8	6 (Confidential) BST's Responses to Discovery	9	10
9	7 Witness Morillo's Deposition Transcript	9	10
10	8 Witness Clark's Deposition Transcript	9	10
11	9 Curriculum Vitae of Witness Ankum	9	10
12	10 Dispute Analysis Spreadsheet	9	10
13	11 Rebuttal Testimony of W. Keith Milner Filed by BST in Docket No. 030851 on 1/7/04	9	10
14	12 Direct Testimony of Kenneth L. Ainsworth filed by BST in Docket No. 030851 on 12/03/04	9	10
15	13 (Confidential) Billing Dispute Work Papers	9	10
16	14 Carrier Notification Letter - Deaveraged UNE Rate Zones	9	10
17	15 Correspondence - UNE Rate Zones	9	10
18	16 BST's Opening Presentation	21	125
19	17 Rate Zone Issue	35	125
20			
21			
22			
23			
24			
25			

EXHIBIT NO. /

DOCKET NO.: 030829-TP

PARTY: Staff

DESCRIPTION:

1. Staff's Official Recognition List
 - a. FDN's Additions

PROFFERING PARTY: STAFF

I.D. # ORL.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 030829-TP EXHIBIT NO. 1
COMPANY/ F.P.S.C. Staff
WITNESS. Official Recognition list
DATE 10-06-06

DOCKET NO. 030829-TP
STAFF's OFFICIAL RECOGNITION LIST

FLORIDA PUBLIC SERVICE COMMISSION ORDERS

1. Docket No. 990649A-TP
 - a. Order No. PSC-01-1181-FOF-TP
 - b. Order No. PSC-02-1311-FOF-TP
2. Docket No. 960833-TP
 - a. Order No. PSC-98-0604-FOF-TP

FDN's Additions to Staff's Official Recognition List
Docket No. 030829-TP

1. BST- FDN Arbitrated ICA filed by BST 11/20/02 in Docket No. 010098-TP
2. Draft Annual Report on the Status of Telecommunications Competition - Issued by FPSC on 9/27/04

DOCKET NO. 030829-TP
OFFICIAL RECOGNITION LIST

BellSouth's Additions to Official Recognition List
Docket No. 030829-TP

The parties' agreements as follows:

1. July 1, 1998 – FDN's 1st Interconnection Agreement becomes effective ("1998 Agreement"). FDN adopted MCI's ICA dated June 3, 1997. The adoption was approved by the Commission on October 12, 1998.
2. October 20, 2000 – FDN enters into an Interim Agreement ("Interim Agreement") which extended the 1998 Agreement until the parties' executed a new agreement. The Commission approved the Interim Agreement on January 22, 2001.
3. September 5, 2001 – FDN enters into Stand Alone Agreement ("Stand Alone Agreement") which incorporates rates ordered by the Commission in the *UNE Cost Order*.
4. February 5, 2003 – FDN enters into the parties' current Interconnection Agreement ("Agreement") which incorporated rate changes from the Commission's *120-day Order*. The Commission approved the Agreement on June 9, 2003.

FDN's Additions to Official Recognition List
Docket No. 030829-TP

1. BST- FDN Arbitrated ICA filed by BST 11/20/02 in Docket No. 010098-TP
2. Draft Annual Report on the Status of Telecommunications Competition - Issued by FPSC on 9/27/04

Revised Exhibit (

COFF. Recognition List)

From hearing Docket

No. 030829-TP.

(Hearing held 10/6)

Thanks,

- John Muskovac

EXHIBIT NO. 2

DOCKET NO.: 030829-TP

WITNESS: FDN

PARTY: FDN

DESCRIPTION:

1. FDN's Responses to BellSouth's 1st Set of Interrogatories (Nos.1-28) – Page 1
2. FDN's Responses to BellSouth's 1st Request for PODs (Nos. 1-2) – Page 9
3. FDN's Supplemental Responses to BellSouth's 1st Set of Interrogatories (Nos.1-28) – Page 12
4. FDN's Supplemental Responses to BellSouth's 1st Request for PODs (Nos. 1-2) – Page 12

PROFFERING PARTY: STAFF

I.D. # FDN-Resp-1

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET

NO. 030829-TP

EXHIBIT NO. 2

COMPANY/ F.P.S.C. STAFF/FDN

WITNESS FDN's Responses to 12 Discovery

DATE: 10-06-04

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of

Complaint of FDN Communications)	
for Resolution of Certain Billing Disputes)	
and Enforcement of UNE Orders and	)	Docket No. 030829-TP
Interconnection Agreements with)	
BellSouth Telecommunications, Inc.)	

**FDN COMMUNICATIONS' RESPONSES TO BELL SOUTH
TELECOMMUNICATIONS, INC.'S FIRST SET OF INTERROGATORIES (NOS.
1-28) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-2)**

Florida Digital Network, Inc., d/b/ FDN Communications ("FDN") pursuant to Rule 28.106-206, Florida Administrative Code, Rule 1.340, Florida Rules of Civil Procedure and Order No. PSC-04-0121-PCO-TP, issued February 4, 2004, hereby serves its responses to BellSouth Telecommunications Inc.'s ("BellSouth") First Set of Interrogatories (Nos. 1-28) and First Request for Production of Documents (Nos. 1-2).

Subject to the objections stated herein, FDN answers BellSouth's discovery as follows:

INTERROGATORIES AND REQUESTS FOR ADMISSIONS

1. Referring to paragraph 6 of the Amended Complaint, describe the circumstances when "FDN has initiated the disconnect request because of FDN's own or its own customers' needs". Explain with particularity the types of disconnect nonrecurring orders as well as the disconnect nonrecurring charges that FDN *does not* dispute. Your explanation should include a description of the specific types of orders that FDN submits.

FDN may have occasion to initiate a disconnect request if, for example, a customer wants to drop a line by going from five lines to four. FDN does not dispute that certain charges associated with such disconnects would be appropriate because FDN caused the disconnect to occur. In such cases, FDN would typically submit disconnect orders for loops and directory listings.

Answer provided by: Kevin Monroe, V.P., Service Delivery

2. Referring to paragraph 6 of the Amended Complaint and referring also to the Introduction section of FDN's Answer to BellSouth's Counterclaim filed on January 6, 2004 ("Answer"), describe with specificity the circumstances in which "FDN is the cost-causer." State all facts and identify all documents that refer to or relate to the statement that "FDN accepts paying the disconnect fees when FDN is the cost-causer." State all facts and identify all documents that support your contention that "FDN is not the cost-causer in the disputes at bar."

FDN is the cost-causer when, for example, it initiates a disconnect order for an FDN customer who wants to drop a line by going from five lines to four.

Support for FDN's cost-causer argument is found in the FCC's TELRIC methodology, as detailed in the FCC's Local Competition Order. See answer to Interrogatory No. 17 for additional information.

When FDN wins a customer from BellSouth. FDN compensates BellSouth for the cost of disconnecting the loop from BellSouth's network as part of the install NRC it pays to BellSouth. FDN asserts when BellSouth or a CLEC ordering through BellSouth wins a customer from FDN, BellSouth should bear the cost of disconnecting the customer from FDN's network, just as FDN bore the cost of disconnection from BellSouth in the reverse situation. BellSouth initiates the process for customers of FDN to port to BellSouth or to a CLEC ordering through BellSouth via orders (LSRs) submitted to FDN.

Answer provided by: August H. Ankum, Ph.D.

3. Describe with particularity the types of disconnect nonrecurring charges that FDN disputes. Your description should include a description of the particular types of orders that FDN disputes.

FDN disputes the following disconnect NRCs: UEAL2 (loop) \$63.53; PE1P2 (cross-connect) \$5.74; SOMAN (service order - manual) \$1.83. Upon information and belief, BellSouth bills FDN the aforementioned fees when BellSouth wins back a customer and when a CLEC ordering through BellSouth wins an FDN customer. Because FDN has not yet been able to examine BellSouth's cost support for its non-recurring charges, FDN reserves the right to modify or supplement this answer.

Answer provided by: Sharon Warren, Manager, Network Cost

4. Please admit that FDN is not contesting the disconnect nonrecurring *rate*.

In principle, FDN admits that it is not contesting the disconnect nonrecurring *rate*. However, because FDN has not yet been able to examine BellSouth's cost support for its non-recurring charges, FDN reserves the right to modify or supplement this answer.

Answer provided by: Sharon Warren, Manager, Network Cost

5. If the foregoing Request for Admission is denied, state all facts and identify all documents that support such denial.

Not applicable.

6. Please admit that FDN prefiled testimony in Docket No. 990649-TP, which included recommended nonrecurring disconnect rates.

OBJECTION: FDN objects to the instant interrogatory on the basis that it not relevant to the subject matter of this action.

Objection by Counsel.

Subject to and without waiving the objection, FDN answers as follows: FDN admits that it prefiled testimony in Docket No. 990649-TP which included recommended nonrecurring disconnect rates, however, FDN flatly rejects any implication embodied in the instant interrogatory that FDN should have disputed the application of such charges at that time. Neither BellSouth nor the Commission addressed the proper application of the disconnect rates in Docket No. 990649-TP, and it is the application of disconnect charges that is the core issue in this case. FDN first prefiled the testimony referred to herein nearly four years ago, in 2000, at a time when the competitive environment was vastly different and "winbacks" were largely unheard of.

Admission responded to by FDN

7. If the foregoing Request for Admission is denied, state all facts and identify all documents that support such denial.

See answer above. Not applicable.

8. Please admit that FDN filed a prehearing statement in Docket No. 990649-TP, which included recommended nonrecurring disconnect rates.

OBJECTION: FDN objects to the instant interrogatory on the basis that it not relevant to the subject matter of this action.

Objection by Counsel.

Subject to and without waiving the objection, FDN answers as follows: FDN admits that it filed a prehearing statement in Docket No. 990649-TP which included recommended nonrecurring disconnect rates, however, FDN flatly rejects any implication embodied in the instant interrogatory that FDN should have disputed the application of such charges at that time. Neither BellSouth nor the Commission addressed the proper application of the disconnect rates in Docket No. 990649-TP, and it is the application of disconnect charges that is the core issue in this case. FDN first filed the prehearing statement referred to herein nearly four years ago, in 2000, at a time when the competitive environment was vastly different and "winbacks" were largely unheard of.

Admission responded to by FDN

9. If the foregoing Request for Admission is denied, state all facts and identify all documents that support such denial.

See answer above. Not applicable.

10. Referring to paragraph 7(a) of the Amended Complaint, describe with specificity how BellSouth "gets the benefit of" a port back transaction in which an FDN end user customer transfers service to another carrier, such as AT&T. Explain how such a transaction varies from a BellSouth end user customer transferring service to FDN.

Paragraph 7(a) makes no reference to a port back transaction in which an FDN end user customer transfers service to a carrier other than BellSouth.

Answer provided by: August H. Ankum, Ph.D.

11. Referring to paragraph 6 of the Amended Complaint, does FDN ever "order through" BellSouth?

If FDN orders UNE-P or resale services, FDN submits orders directly to BellSouth.

Answer provided by: Kevin Monroe, V.P., Service Delivery

12. Please describe with specificity how "disconnecting the FDN loop" in the situation in which an FDN end user transfers service to BellSouth or another carrier is "just as much a part of the cutover process" if this Commission ordered separate installation and disconnect rates.

OBJECTION: FDN seeks clarification of the instant interrogatory. FDN does not understand what the question is asking.

Objection by Counsel

Subject to and without waiving the objection, FDN answers as follows: In Docket No. 030851, referring to BellSouth's NRCs (and possible other CLEC internal costs), BellSouth witness Milner stated that "the CLEC will incur costs associated with the hot cut to disconnect the loop serving the customer from BellSouth's switch and then re-connect the loop to the CLEC's switch." (Rebuttal testimony at p.13, lines 10-12). He also stated that the same work steps are involved in reverse when a customer returns to the ILEC.

Further, BellSouth, FDN and other carriers perform certain activities when customers migrate from one carrier to another. To the extent that all carriers must perform such activities, competitive parity and adherence to the FCC's TELRIC methodology requires that either all or none of the carriers be permitted to assess charges to recoup their costs. Because FDN has not yet been able to examine BellSouth's cost support for its non-recurring charges, FDN reserves the right to modify or complement this answer.

Answer provided by: August H. Ankum, Ph.D.

13. Please admit that FDN waives retail installation charges to its end user customers on occasion.

OBJECTION: FDN objects to the instant interrogatory on the basis that it not relevant to the subject matter of this action.

Objection by Counsel.

Subject to and without waiving the objection, FDN answers as follows: FDN admits that it occasionally waives retail installation charges to its end user customers, however, that is not a relevant consideration in this case. FDN does not charge BellSouth a disconnect fee when a customer ports to BellSouth from FDN. BellSouth's recovering a disconnect fee from FDN can be used to offset any costs BellSouth willingly foregoes in the way of BellSouth's waived connection charge to its end user, when it is BellSouth as the cost-causer, not FDN, that should be bearing the cost of the disconnection to begin with.

Answer provided by: August H. Ankum, Ph.D.

14. If the foregoing Request for Admission is denied, state all facts and identify all documents that support such denial.

See answer above. Not applicable.

15. Please admit that when FDN waives retail installation charges to its end user customers that are transferring service from BellSouth, BellSouth charges FDN nonrecurring installation charges.

OBJECTION: FDN objects to the instant interrogatory on the basis that it not relevant to the subject matter of this action.

Objection by Counsel.

Subject to and without waiving the objection, FDN answers as follows: See response to Interrogatory No. 13. FDN is not aware of instances in which BellSouth has waived wholesale nonrecurring charges to FDN, though BellSouth waives nonrecurring charges to retail customers.

Answer provided by: August H. Ankum, Ph.D.

16. If the foregoing Request for Admission is denied, state all facts and identify all documents that support each denial.

See answer above. Not applicable.

17. Referring to Paragraph 28(a) of the Amended Complaint describe with specificity the "industry cost causation principles" referred to. State all facts and identify all documents, including providing specific references to language in any regulatory decision that addresses such "industry cost causation principles."

OBJECTION: FDN objects to the instant interrogatory to the extent that responding to it would require FDN to disclose privileged information, including attorney work product.

Objection by Counsel.

Subject to and without waiving its objection, FDN answers as follows: The principle of cost causation is the bedrock of unbundled network element costing and pricing under the FCC's TELRIC methodology as identified in the FCC's Local Competition Order. Further, BellSouth itself has identified cost causation as one of several principles that underlie a TELRIC cost study. See Docket No. 990649-TP, PSC-01-1181-FOF-TP at p. 67 ("A corollary to this directive is the principle of cost causation").

See also e.g., Docket No. 990649B-TP, Order PSC-02-1574-FOF-TP ("cost causation principles (matching of costs to prices)"); Docket No. 990649B-TP, Order PSC-02-0568-PHO-TP (Verizon issues -- "Third, each UNE rate must reflect a balance of (1) cost causation principles; (2) the opportunity for cost recovery; and (3) ease of administration."); and Docket No. 990649A-TP, Order PSC-02-1311-FOF-TP at p. 14 ("While BellSouth may structure its contracts to include conduit investment for both activities, this practice appears to obscure the relationship between cost causation and cost recovery.").

Answer provided by: August H. Ankum, Ph.D.

18. Referring to FDN's Answer, state all facts and identify all documents that support your contention that "FDN never agreed to pay BellSouth disconnect . . . NRCs in situations where customers port their service back to BellSouth."

The parties' interconnection agreement makes no mention of the situations in which the disconnect NRCs shall apply. In his testimony in Docket No. 020119, BellSouth witness Ruscilli could not identify a place in the FDN-BellSouth interconnection agreement where the application of the disconnect charges was described.

Answer provided by: August H. Ankum, Ph.D.

19. Referring to FDN's Answer, state all facts and identify all documents that support your contention that "the parties' interconnection agreements do not address how or when the disconnect charge is applied." Include specific citations to any provisions in the interconnection agreements that support this contention.

The instant interrogatory asks FDN to "prove a negative." The interconnection agreement speaks for itself. See the above answer as well.

Answer provided by: August H. Ankum, Ph.D.

20. Referring to FDN's Answer, state all facts and identify all documents that support your contention that "the issue of how and when the disconnect fees apply was never litigated, much less determined, by the commission in the UNE docket (Docket No. 990649A)."

The instant interrogatory asks FDN to "prove a negative." In the Commission's Final Order on Unbundled Network Elements (PSC-01-1181-FOF-TP), the discussion of disconnect NRCs is limited to pages 412 and 413. Nowhere on those pages is any mention of the circumstances in which disconnect NRCs apply.

Answer provided by: August H. Ankum, Ph.D.

21. Referring to Order No. PSC-98-0604-FOF-TP (page 69) admit that the Florida Public Service Commission has ordered that "disconnect costs shall not be included in the nonrecurring installation charges."

FDN admits that the Commission Order states "disconnect costs shall not be included in the nonrecurring installation charges" but BellSouth takes the quote out of context and is apparently trying to confuse the Commission. The quote is actually referring to costs for the *subsequent* disconnection of the loop from the CLEC switch, not the disconnection of the loop from Bell's switch, which is a cost included in the initial connection charge.

Answer provided by: August H. Ankum, Ph.D.

22. If the foregoing Request for Admission is denied, state all facts and identify all documents, including providing specific references to any and all language in regulatory decisions that support such denial.

See answer above.

23. Is it FDN's contention that the issue of how and when disconnect fees was never litigated or determined by the Commission in Order No. PSC-98-0604-FOF-TP? State all facts and identify all documents, including providing specific references to any and all languages in Order No. PSC-98-0604-FOF-TP that supports your answer.

FDN contends that that the issue of "how and when disconnect fees [sic] was never litigated or determined by the Commission" in any of its orders. The instant interrogatory asks FDN to "prove a negative."

Answer provided by: August H. Ankum, Ph.D.

24. FDN's Answer at page 5 refers to "disconnect charges in a winback situation." FDN's Amended Answer refers to "attempting to recover costs associated with disconnecting loops . . . ported to some other carrier ordering through BellSouth" Is FDN suggesting that a customer that transfers service from FDN to another carrier is a winback for BellSouth? State all facts and identify all documents that support your answer.

FDN is not suggesting that a customer that transfers service from FDN to another carrier is a winback for BellSouth in the strict sense of that term. What FDN is suggesting is that in each case -- where a customer transfers service from FDN to BellSouth or to a UNE-based carrier or reseller utilizing BellSouth's network -- FDN is asked to bear disconnect costs which it did not cause.

Answer provided by: August H. Ankum, Ph.D.

25. FDN's Answer at paragraph 17 denies that this matter "relate[s] solely to situations in which customers have ported their service back to BellSouth." Concerning the disconnect charges that FDN has disputed, what approximate proportion of the charges relate to situation in which customers have ported their service back to BellSouth? What approximate proportion of the charges relate to situations in which customers have ported their service to another carrier? If there are other types of disconnect charges in dispute, please provide the approximate proportion of the charges that related to other situations and state what such situations are.

FDN has no way of determining which customers port back to BellSouth versus those porting to another carrier. BellSouth itself knows the answer to this question; FDN has no visibility into BellSouth's systems that would enable it to know the

answer. FDN presumes, however, that a large percentage of those port-outs are BellSouth winbacks and that a small percentage of those losses are to resale and UNE-P providers ordering through BellSouth. FDN believes BellSouth assesses the same NRCs regardless of whether it's a BellSouth winback or a loss to another CLEC because FDN sees only the loop, cross-connect, and service order NRCs described above reflected on its bills.

Answer provided by: Sharon Warren, Manager, Network Cost

26. Please admit that if the Commission had modified the UNE rate zones such that Zone 2 wire centers were moved to Zone 1 wire centers, that FDN would not have contested BellSouth's immediate implementation of such a zone structure.

OBJECTION: The instant interrogatory asks FDN to respond to a hypothetical situation rather than facts, and as such is outside of the scope of the Florida Rules of Civil Procedure for an interrogatory, let alone an admission. Moreover, the hypothetical is not possible to answer based on such skeletal hypothetical facts.

Objection by Counsel.

27. If the foregoing Request for Admission is denied, state all facts and identify all documents that support such denial.

Not applicable.

28. Please state whether the total amounts in dispute for both disconnect orders and the UNE zone changes remain approximately \$100,000.00 and \$85,000.00. If not, please state the amount currently in dispute. If FDN contends that the amounts in dispute accrue on a monthly basis, provide the approximate amount of such monthly accrual.

At this time, FDN contends that the amounts in dispute are as follows:

Disconnect orders: "Q" Accounts = \$116,777.64; "N" Accounts = \$33,873.59;
TOTAL = \$150,651.23.

UNE zone changes: Q" Accounts = \$79,300.14; "N" Accounts = \$77,402.32;
TOTAL = \$156,702.46.

FDN disputes new charges as they are billed.

Answer provided by: Sharon Warren, Manager, Network Cost

REQUESTS FOR PRODUCTION

1. Please produce all documents identified in your responses to the foregoing Interrogatories and Requests for Admission.

OBJECTION: Any documents (not privileged) referred to herein are a matter of public record or already in the possession of BellSouth and as such are easily accessible to BellSouth.

Objection by Counsel.

2. Please produce copies of all documents referring or relating to FDN's dispute of the disconnect charges relating to the implementation of rate zone changes.

OBJECTION: Any documents (not privileged) referred to herein are a matter of public record or already in the possession of BellSouth and as such are easily accessible to BellSouth.

Respectfully submitted, this ____ day of March, 2004.

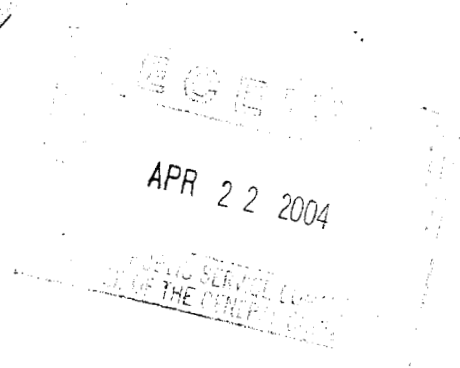
Matthew Feil
Scott A. Kassman
FDN Communications
2301 Lucien Way
Suite 200
Maitland, FL 32751
407-447-6636
mfeil@mail.fdn.com
skassman@mail.fdn.com



April 21, 2004

VIA OVERNIGHT & E-MAIL

Nancy B. White/Meredith Mays
c/o Ms. Nancy H. Sims
150 S. Monroe Street
Suite 400
Tallahassee, FL 32301-1556



RE: Docket No. 030829-TP -- Complaint of FDN Communications
for Resolution of Certain Billing Disputes and Enforcement of UNE Orders and
Interconnection Agreements with BellSouth Telecommunications, Inc.

Dear Counsel:

Enclosed are FDN Communications' Supplemental Responses to BellSouth's
First Set of Interrogatories and Requests for Admissions in the above-referenced docket.

If you have any questions regarding the enclosed, please call me at 407-447-6636.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott A. Kassman".
Scott A. Kassman
Asst. General Counsel

Cc: All Parties of Record

Enclosure

LOCAL

LONG DISTANCE

INTERNET

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of

Complaint of FDN Communications)	
for Resolution of Certain Billing Disputes)	
and Enforcement of UNE Orders and	)	Docket No. 030829-TP
Interconnection Agreements with)	
BellSouth Telecommunications, Inc.)	

**FDN COMMUNICATIONS' SUPPLEMENTAL RESPONSES TO BELL SOUTH
TELECOMMUNICATIONS, INC.'S FIRST SET OF INTERROGATORIES (NOS.
1-28) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-2)**

Florida Digital Network, Inc., d/b/a FDN Communications ("FDN") pursuant to Rule 28.106-206, Florida Administrative Code, Rule 1.340, Florida Rules of Civil Procedure and Order No. PSC-04-0121-PCO-TP, issued February 4, 2004, hereby serves the following supplemental responses to BellSouth Telecommunications Inc.'s ("BellSouth") First Set of Interrogatories (Nos. 1-28) and First Request for Production of Documents (Nos. 1-2).

FDN incorporates herein by reference all of its previously filed general and specific objections. Any responses provided by FDN in response to this discovery will be provided subject to and without waiving any of FDN's previously filed objections.

INTERROGATORIES AND REQUESTS FOR ADMISSIONS

3. Describe with particularity the types of disconnect nonrecurring charges that FDN disputes. Your description should include a description of the particular types of orders that FDN disputes.

FDN disputes the following disconnect NRCs: UEAL2 (SL2 loop) \$63.53; UEAL2 (SL1 loop) \$25.62; PE1P2 (cross-connect) \$5.74; SOMAN (service order - manual) \$1.83. Upon information and belief, BellSouth bills FDN the aforementioned fees when BellSouth wins back a customer and when a CLEC ordering through BellSouth wins an FDN customer. ~~Because FDN has not yet been able to examine~~

~~BellSouth's cost support for its non-recurring charges, FDN reserves the right to modify or supplement this answer.~~

Answer provided by: Sharon Warren, Manager, Network Cost

28. Please state whether the total amounts in dispute for both disconnect orders and the UNE zone changes remain approximately \$100,000.00 and \$85,000.00. If not, please state the amount currently in dispute. If FDN contends that the amounts in dispute accrue on a monthly basis, provide the approximate amount of such monthly accrual.

At this time, FDN contends that the amounts in dispute are as follows:

Disconnect orders: "Q" Accounts = \$116,777.64; "N" Accounts = \$33,873.59;
TOTAL = \$150,651.23.

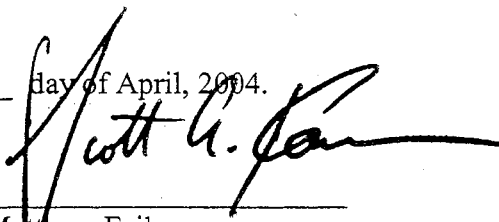
UNE zone changes: Q" Accounts = \$79,300.14; "N" Accounts = \$77,402.32;
TOTAL = \$156,702.46.

Concerning the disconnect charges, FDN disputes new charges as they are billed to FDN by BellSouth.

FDN avers that it does not accrue on a monthly basis any charges related to the zone changes (other than any late payment charges that BellSouth may bill to FDN) since these charges relate to a specific period of time, i.e., October 2002 through February, 2003.

Answer provided by: Sharon Warren, Manager, Network Cost

Respectfully submitted, this 21 day of April, 2004.



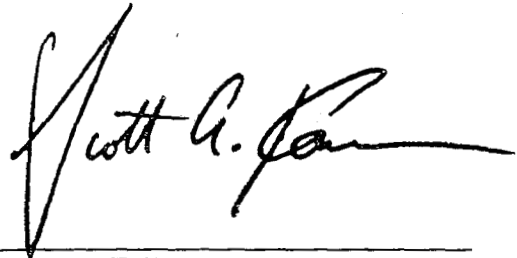
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skassman@mail.fdn.com

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was sent by e-mail and regular mail to the persons listed below, other than those marked with an (*) who have been sent a copy via overnight mail, this 21 day of April, 2004.

BellSouth Telecommunications, Inc.
Nancy B. White/Meredith Mays
C/O Ms. Nancy H. Sims
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EXHIBIT NO. 3

DOCKET NO.: 030829-TP

WITNESSES: Dr. August H. Ankum

PARTY: FDN

DESCRIPTION:

1. August 25, 2004, Deposition Transcript, page 1.
2. Exhibit 1, page. 80.

PROFFERING PARTY: STAFF

I.D. # AA-D.

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET

NO. 030829-TP EXHIBIT NO. 3

COMPANY/ F.P.S.C. Staff/FDN

WITNESS. Witness: Ankum's Dep. Tran. &

DATE: 10/06/04 Exhibit

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

Docket No. 030829-TP

Filed: August 23, 2004

In Re:

Complaint of FDN Communications for
Resolution of Certain Billing Disputes
And Enforcement of UNE Orders and
Interconnection Agreements with
BellSouth Telecommunications, Inc.

2004 SEP 17 PM 1:43
DIVISION OF
COMPETITIVE SERVICES

August 25, 2004
9:55 a.m.

The Deposition of Dr. August H. Ankum, taken
pursuant to notice on behalf of BellSouth
Telecommunications, Inc., at the Offices of FDN
Communications, 2301 Lucien Way, Suite 200,
Maitland, Florida, before Suzanne G. Patterson,
Registered Professional Reporter and Notary
Public, in and for the State of Florida at Large.

1 APPEARANCES:

2 LEE FORDHAM, ESQUIRE

3 (Appearing via telephone)

4 Staff Counsel

5 Florida Public Service Commission

6 Gerald L. Gunter Building

7 2540 Shumard Oak Boulevard

8 Tallahassee, Florida 32399-0850

9 SCOTT KASSMAN, ESQUIRE

10 Assistant General Counsel

11 FDN Communications

12 2301 Lucien Way

13 Suite 200

14 Maitland, Florida 32751

15 Representing FDN Communications

16 MEREDITH E. MAYS, ESQUIRE

17 (Appearing via telephone)

18 BellSouth Telecommunications, Inc.

19 675 West Peachtree Street, NE

20 Suite 4300

21 Atlanta, Georgia 30375

22 Representing BellSouth
23 Telecommunications, Inc.

24 Also Present:

25 Sharon Warren - FDN Communications

* * *

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August 25, 2004

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EXHIBITS MARKED FOR IDENTIFICATION

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S T I P U L A T I O N

It is hereby stipulated and agreed by and
between counsel present for the respective parties
and the deponent that the reading and signing of
the deposition is expressly reserved.

(End of stipulation)

* * *

Reporter's Key to punctuation:

-- at end of question or answer references an
interruption.

... References a trail-off by the speaker.
No testimony omitted.

"Uh-huh" References an affirmative sound.

"Unh-unh" References a negative sound.

P R O C E E D I N G S

DR. AUGUST H. ANKUM

having been first duly sworn by the reporter,
thereupon testified upon his oath as follows:

MS. MAYS: This will be the deposition of Dr.
August Ankum, taken pursuant to notice and by
agreement of Counsel, it will be taken for all
purposes permitted by law, all formalities except
as to notice are waived, all objections are
reserved until the first use of the deposition.

Will the witness like to read and sign the
deposition?

THE WITNESS: Yes.

BY MS. MAYS:

Q. All right. And just a couple preliminaries
for you, Dr. Ankum. If you don't understand my
question, please ask me to explain it so that I'm sure
you're understanding what I'm asking you. If you would
give verbal responses, please, and if you'll wait for
me to complete my questions before you answer, I would
appreciate that.

A. Yes, I will.

Q. Sir?

A. Yes, I will.

Q. Yes?

1 MR. KASSMAN: I hope we're not having a
2 problem with the speakerphone.

3 BY MS. MAYS:

4 Q. Did you hear me, Dr. Ankum?

5 A. Yes.

6 Q. Okay. That time, I didn't hear you before.
7 And that will be one of the things with the telephone,
8 if I ask you to repeat yourself, I just may not have
9 heard you.

10 All right. Let me just begin. Can you give
11 your full name for the record.

12 A. August H. Ankum, A-n-k-u-m.

13 Q. And where are you employed, sir?

14 A. QSI Consulting.

15 Q. And what is your business address?

16 A. 1261 North Paulina, P-a-u-l-i-n-a, Suite
17 Number 8, Chicago, Illinois 60622.

18 Q. Now, before we get into your testimony, Dr.
19 Ankum, do you have any changes or corrections that you
20 know of that need to be made to either your direct or
21 your rebuttal testimony?

22 A. No, I don't.

23 Q. I just wanted to go over a little bit of your
24 background, if I could, please. In looking at your
25 testimony, if I'm following it correctly, after you got

1 out of school you worked as an assistant instructor at
2 the University of Texas?

3 A. Yes.

4 Q. And then you began work as an economist with
5 the Texas Commission?

6 A. Yes.

7 Q. And was there any gap in between the two of
8 those or is that pretty much a straight from one
9 position to the next?

10 A. I believe it's a straight transition.

11 Q. And then while you were at the Texas
12 Commission, what type of work did you do there?

13 A. Initially, I did electric utility work and
14 then after about a year, I started doing
15 telecommunications work.

16 Q. Did you do exclusively telecommunications
17 once you began doing that?

18 A. Yes.

19 Q. Would I be correct then that you worked on
20 telecommunications matters for approximately seven
21 years?

22 A. Yes.

23 Q. And you left the Texas Commission in 1994, is
24 that correct?

25 A. Yes.

1 Q. From the Texas Commission I understand you
2 went to TCG?

3 A. Yes.

4 Q. Now, where did you -- what state did you work
5 in for TCG?

6 A. Chicago, Illinois.

7 Q. And how long were you at TCG?

8 A. Approximately seven months.

9 Q. What did you do there?

10 A. I worked as an economist in general, an
11 expert witness in-house for TCG, and internally worked
12 with business people, with the engineers in part, not
13 as an engineer but for internal analyses purposes.

14 Q. Okay. When you left TCG I understand you
15 went to MCI, is that correct?

16 A. Yes.

17 Q. Now, what was your job title at MCI?

18 A. I don't know the formal job title but, again,
19 I worked as an economist and expert witness.

20 Q. And how long were you at MCI?

21 A. Approximately seven to eight months.

22 Q. What did you do after you left MCI?

23 A. I did consulting under my own firm, Ankum &
24 Associates.

25 Q. And how long did you run your own firm, Ankum

1 & Associates?

2 A. Up till 1999.

3 Q. What type of consulting did you do at Ankum &
4 Associates?

5 A. Mostly telecommunications consulting, at that
6 point mostly related to the implementation of the
7 provisions of the Telecommunications Act of 1996.

8 Q. Okay. And after you left, after you left
9 Ankum & Associates, is that when you began work at QSI?

10 A. Yeah, I helped form QSI together with some
11 partners.

12 Q. Has your job title at QSI always been as
13 reflected on your -- in your testimony, I think it's a
14 senior vice president?

15 A. Yes, I believe so.

16 Q. In terms of your consulting work, have you
17 ever consulted for an ILEC or incumbent local exchange
18 provider?

19 A. Yes.

20 Q. And who would that have been?

21 A. Illinois Consolidated.

22 Q. Anyone else? In terms of an ILEC or
23 incumbent as opposed to a CLEC?

24 A. I believe BTI is an incumbent LEC, I was not
25 a primary witness but I helped other consultants inside

1 QSI on that particular case. None others come to mind
2 at this point.

3 Q. All right. Now, have you always testified as
4 an economist in the cases you worked on as opposed to a
5 policy witness or a factual witness?

6 A. I think I've covered all three categories.

7 Q. All right. Have you ever testified in any of
8 the nine southeastern states where BellSouth does
9 business?

10 A. Yes.

11 Q. Which states?

12 A. I can't recall off of the top of my head
13 exhaustively which states, but I've testified in
14 Georgia, I've testified in Florida, there have to be
15 some others.

16 Q. So you have testified before the Florida
17 Commission before?

18 A. Yes.

19 Q. And did your testimony reach the point of
20 going to a hearing or did you simply prefile testimony?

21 A. It went to hearing.

22 Q. Now, when did you begin work on the case that
23 you have filed testimony in here today, the FDN and
24 BellSouth case?

25 A. If you give me a moment.

1 Q. Sure.

2 A. And what I'm looking at here is -- well, let
3 me start with saying that I don't have a clear
4 recollection of when we started, but I know that we
5 filed discovery responses very early on in my
6 engagement with FDN. So I can bracket it for you
7 somewhat.

8 Q. All right. Well, let me see if this helps.
9 I'm looking at your prefile direct testimony and it
10 appears to be dated, April 16th of 2004. Do you know,
11 with that date of that testimony, do you know if you
12 began work in 2004 or if you began work earlier, say,
13 perhaps 2003?

14 A. I think the engagement might have started in
15 2003, I can look that up for you, I don't recall at
16 this point, but I believe 2003.

17 Q. And can you describe for me what you were
18 hired to do, please?

19 A. I think I was hired to analyze the merits of
20 BellSouth's application of nonrecurring charges to FDN,
21 with the specific focus on the application of
22 disconnect charges where it concerns Winback customers,
23 BellSouth's Winback customers. As part of that
24 engagement it was understood that I would help with
25 providing the economic analysis in general to provide

1 the touchstone for the merit of FDN's complaint.

2 Secondly, it was understood that I would help
3 with the analysis of BellSouth's testimony responses to
4 data requests, assisting in drafting data requests.

5 Thirdly, it was understood that I would file,
6 if that was needed, expert witness testimony, that I
7 would draft such testimony, that I would be available
8 for depositions, and that I would be available for a
9 hearing if the case were to go to hearing. I would
10 also be responsible for answering BellSouth's data
11 requests filed on FDN where it pertained to my
12 testimony.

13 Q. All right. Do you recall who hired you at
14 FDN?

15 A. I think my initial contact probably was
16 through Mr. Scott Kassman, but I've worked in the past,
17 or at least I've had contact with Matthew Weil, (sic)
18 as well. And I don't recall at this point with whom
19 the, at least the verbal agreements for engagement was
20 made.

21 Q. Once you understood what the job entailed,
22 what material, if any, did you request to begin your
23 analysis?

24 A. Among others, I've drawn on FDN to provide me
25 with Commission orders, the FDN complaint filings,

1 subsequently, we have drafted data requests for
2 FDN's -- sorry -- for BellSouth's costs studies and
3 I've looked at those cost studies. For myself, I've
4 done searches on FCC orders since it's the basic local
5 competition order, but also the Virginia Arbitration
6 Order and other FCC orders. Those are the documents
7 and sources that come to mind at this point.

8 Q. Did you ask for or review any of the
9 contracts between BellSouth and FDN?

10 A. The interconnection agreement I left out, but
11 that, obviously, is part of the documents that I've
12 reviewed.

13 Q. And which interconnection agreement did you
14 review?

15 A. The initial interconnection agreement and the
16 amended interconnection agreement, I believe that the
17 date was 2003, early 2003, possibly February.

18 Q. So you looked at the interconnection
19 agreement that is dated, approximately February of
20 2003 --

21 A. Yeah, but also the one preceding it.

22 Q. Did you have any conversations, other than
23 conversations with Counsel, with folks at FDN?

24 A. I've talked, of course, with Counsel, I've
25 talked with the cosponsor of my rebuttal testimony,

1 Sharon Warren, I've had conference calls with FDN's
2 personnel that deals with, you know, with processes
3 that FDN goes through when a customer migrates back to
4 BellSouth. I've talked with them about what they do
5 in-house, what FDN does in-house, the services that
6 they provide for BellSouth in that regard so that I
7 knew exactly which activities were involved there.
8 I've talked to technical personnel at FDN on what they
9 do to migrate the loop or to disconnect the unbundled
10 loop from FDN's network. Those are some of the
11 discussions that come to mind.

12 Q. Do you have an approximate idea of how much
13 time you've put in on this case?

14 MS. MAYS: I'm sorry, did we have someone
15 join?

16 MR. GREER: Yes, this is Stan Greer.

17 MS. MAYS: Hey, Stan. Stan's with
18 BellSouth.

19 BY MS. MAYS:

20 Q. Do you have an idea of how much time you've
21 spent on this case?

22 A. Actually, I don't.

23 Q. Can you give me an approximate amount that
24 you have charged FDN for your work on this case?

25 A. I would have to look that up, I don't know.

1 Maybe during a break I can look that up for you, I hate
2 to give you an inaccurate number here.

3 Q. That's fine. Do you know if you are charging
4 FDN a flat fee or are you charging them on an hourly
5 basis or some other basis?

6 A. We're charging FDN as QSI on an hourly basis.

7 Q. And what is your hourly fee?

8 A. It depends on which consultant is working on
9 the case, but the hourly rates at QSI vary somewhere
10 from \$150 per hour to \$280 an hour.

11 Q. All right. I'm looking -- do you have your
12 testimony with you, sir?

13 A. Yes, I do.

14 Q. If you could look on your -- turn to your
15 direct testimony on Page 4. I'm looking now at lines
16 14 through 16. And beginning at line 14, your
17 testimony reads, of particular importance to the
18 current proceeding is my extensive background in and
19 experience with cost models. Do you see that?

20 A. Yes.

21 Q. Can you explain to me, please, why you
22 believe your extensive background is of particular
23 importance to this case?

24 A. I believe that knowledge of not just economic
25 theory but also the manner in which economic theory and

1 the way that the economic theory has been embraced by
2 the FCC and the local competition order, how that
3 economic theory has been implemented in the various
4 states in the context of cost study proceedings. The
5 cost models that I'm referring to here is, first, in
6 general, cost models both for the recurring and
7 nonrecurring costs, but of particular importance here,
8 of course, are the nonrecurring cost models that have
9 been developed by the various RBOCs and have been
10 reviewed by the various state commissions.

11 Q. What cost models have you personally
12 reviewed? Do you know the names of them or do you know
13 the companies who sponsor them?

14 A. Yes. I have -- of course, I've reviewed
15 BellSouth's cost model that was filed in -- I'm looking
16 at the docket number here, which is the Telric order
17 that established the UNE rates, I'll give you the
18 docket number, 990649TP.

19 Q. Okay.

20 A. And that's BellSouth's model. I have looked
21 at the nonrecurring models for various jurisdictions in
22 Michigan, in Illinois, in Indiana, in Wisconsin, in
23 Ohio, those are the ones that come to mind here. And
24 there have been other jurisdictions where I have looked
25 and those were proceedings that would cover the full

1 array of nonrecurring charges for all the UNEs.

2 Q. Were those proceedings, Dr. Ankum, actual
3 cost proceedings?

4 A. Yes. Those were UNE Telric proceedings.

5 Q. Those were proceedings to set the rates?

6 A. Yes.

7 Q. Have you testified in a breach of contract
8 dispute before?

9 A. That's a technical term that I will loosely
10 interpret as cases where there is billing dispute and
11 the answer is, yes.

12 Q. How many of those have you testified in?

13 A. At a minimum, two, that I can think of.

14 Q. Two other than your work in this case?

15 A. That's right.

16 Q. When you -- you summarized for me some of the
17 activities you had done and conversations you had had
18 with FDN, have you -- during those conversations have
19 you talked to anybody who actually negotiated the
20 interconnection agreements for FDN?

21 A. No, I've not. And I'm assuming here that --
22 well, I don't believe that Mr. Scott Kassman was part
23 of the negotiations, but I would imagine that Matt Weil
24 was part of those negotiations. Matt is the general
25 counsel. Feil, I believe, actually, I mispronounce his

1 name.

2 Q. Have you discussed with Matt Feil the
3 negotiations relating to any of the interconnection
4 agreements?

5 A. We talked in general about the case and as
6 part of that we have, integral to this case, I believe,
7 is a number of things. It's the application of the
8 nonrecurring charge and how we believe, how I believe,
9 that since the Winbacks were not envisioned at that
10 time that the commission was looking at BellSouth's
11 nonrecurring charges, I believe that the Winback
12 situation simply wasn't envisioned and, therefore, not
13 reflected in the NRCs.

14 I have subsequently also tried to, subsequent
15 to my engagement with FDN, tried to verify or find out
16 whether the Winbacks were envisioned as part of the
17 interconnection agreement and as part of that
18 discussion with FDN, and Matthew Feil was part of that
19 discussion, they told me that the Winbacks were not
20 envisioned in the interconnection agreement. And I've
21 subsequently gone over the interconnection agreement,
22 not with a fine tooth comb but generally, and I believe
23 that they are correct in that assertion.

24 So as part of working through the case and
25 developing the policy position and the economic

1 analysis, I've, over the course of the months and prior
2 to filing the testimony, talked to both Mr. Kassman and
3 Matthew Feil, of those two I would think that Matthew
4 Feil almost certainly would have participated in the
5 interconnection negotiations but I've never posed that
6 question to him.

7 Q. Would you agree with me, Dr. Ankum, that
8 parties can freely contract? Sir?

9 A. Um --

10 MR. KASSMAN: I'm sorry. I'm going to have
11 to object. Dr. Ankum is not an attorney, he's not
12 offered as a legal expert today, he's an
13 economist.

14 MS. MAYS: That's fine. Subject to the
15 objection, I believe the witness can answer unless
16 you're directing him not to.

17 MR. KASSMAN: No, that's fine. The witness
18 can answer.

19 BY MS. MAYS:

20 Q. Do you need me to repeat the question?

21 A. No, I'm thinking. I'm actually uncertain
22 about what leeway parties have, my understanding is
23 that, in general, CLECs and ILECs can have a fair
24 amount of leeway in negotiating terms to
25 interconnection agreements, but I would also think that

1 the Telecom Act would have set certain parameters
2 outside of which interconnection agreements shall not
3 fall, but I'm not really sure about that.

4 Q. Okay. Would you agree with me that parties
5 could pay charges, they could agree to pay charges even
6 if they are not the cost causer?

7 A. I'm not certain about that.

8 Q. Would you agree with me that parties can pay
9 charges even if there is an over recovery of costs?

10 A. I'm falling back here and this is what I'm
11 struggling with, my understanding surely as an
12 economist, reading the local competition order, which I
13 still view as the umbrella framework under which
14 companies engage with each other, one of the more
15 important directives of the FCC was, consistent with, I
16 believe, the language of the Telecommunications Act,
17 that UNE rates shall be cost based, and it's hard for
18 me to square what you're asking me with the
19 requirements that UNE rates be cost based, that seems
20 to preclude paying where no cost responsibility exists
21 and it also seems to preclude paying charges that
22 result in over recovery.

23 Q. And I guess my question to you, Dr. Ankum,
24 was, simply looking at, from a general policy
25 standpoint, whether it is your belief that parties can

1 include language in contracts -- that can include
2 whatever language they wish to in contracts?

3 A. I think I've answered that question in my
4 previous two answers.

5 Q. Would you agree with me, Dr. Ankum, that
6 analysis of costs is not a precise science?

7 A. I would hope that costs and rates are set
8 with a degree of precision that is required to come as
9 close to what a theoretical correct number is as one
10 possibly could, and I don't know of any cost analyst,
11 nor of any Commission that tries to be less precise
12 rather than more precise.

13 Q. Are you aware, Dr. Ankum, that the FCC has
14 currently opened a notice of proposed rule making into
15 Telric costs?

16 A. Yes.

17 Q. Would you agree with me that in setting -- in
18 looking at costs and then setting rates, that there are
19 averages involved?

20 A. Yes. That does not make it imprecise but,
21 yes.

22 Q. That there are also probabilities involved?

23 A. Yes. And, again, that doesn't make it
24 imprecise.

25 Q. And would you also agree with me that with

1 any given rate it is possible that there may be an
2 under recovery or over recovery?

3 A. Well, there may be, but I don't think that
4 there's any policy pursued anywhere that pursues that
5 outcome. I believe that the objective of a cost
6 analyst, as well as that of policymakers, is to avoid
7 an under recovery or an over recovery.

8 Q. Well, let me give you a hypothetical. Let's
9 suppose that in looking at setting a rate and looking
10 at the costs, that there is an unbundled network
11 element for which at times a technician is dispatched
12 and at times a technician is not dispatched, in setting
13 the rate for that a commission may average out the time
14 that the technician goes and set a rate. If a CLEC
15 then orders that unbundled network element and just so
16 happens that the technician is not dispatched on a
17 particular call, there may be, as to that one CLEC and
18 that one occurrence, an over recovery. Would you agree
19 with that?

20 A. Yeah, but I believe that you are now playing
21 a word game since when we're talking about an over
22 recovery or an under recovery, we're really talking
23 about the match above revenues and costs for, let's
24 say, BellSouth, with respect to a particular UNE, and
25 the notion, of course, is with averaging, that after

1 you consider the entire universe of orders that comes
2 in, and you may de-average those to some extent, that
3 at least for then the de-averaged zone or subgroup,
4 that at least for that de-averaged zone or subgroup on
5 average you get a recovery that is neither over nor
6 under but precisely on the mark.

7 And so the term, over recovery, I think,
8 really should be understood and used with respect not
9 to one individual order, since that runs counter to the
10 whole notion of Telric. The essence of Telric is, of
11 course, among others, the "T" in Telric, which is total
12 demand, which indicates that you got to consider issues
13 of cost recovery, over recovery and under recovery on a
14 total demand basis.

15 Q. Well, let me make sure I understand when
16 you're -- generally, when your testimony talks about an
17 over recovery then, you're not dealing with the
18 situation of averages or an individual order, is that
19 correct?

20 A. I'm not considering an individual order, I am
21 considering the impact on BellSouth with respect to the
22 total revenues coming into BellSouth associated with
23 the -- with the disconnect, the nonrecurring disconnect
24 activities. And I can expand on that if you wish.

25 Q. I think you've clarified for me what I needed

1 to know. I want to, if you just give me one second, I
2 want to take you back to your testimony. I want to
3 take you a little bit out of order from your testimony
4 and talk to you about UNE rate zones for a minute.

5 A. That's okay.

6 Q. If I understood, you have sponsored testimony
7 on the UNE rate zone issue, correct?

8 A. Yes.

9 Q. And you have reviewed the interconnection
10 agreements that relate to the UNE rate zones?

11 A. Yes.

12 Q. When I looked at the rebuttal testimony, I'm
13 sorry, actually, it was not the rebuttal, I believe it
14 was the discovery, the UNE rate zone dispute relates to
15 a certain period of time. Is that your understanding?

16 A. Yes.

17 Q. And if I understand the discovery, the UNE
18 rate zone issue stops or the billing dispute stops in
19 February of 2003, is that correct?

20 A. Yes, roughly.

21 Q. And so when we're looking at the UNE rate
22 zone dispute, would be looking at the contract that
23 preceded the February 2003 contract. Is that your
24 understanding?

25 A. Yes.

1 Q. Do you happen to have, sir, any of the
2 contract language or provisions with you?

3 A. Yes.

4 Q. You do. Well, let me see if I can direct you
5 to what I'd like to talk to you about, and if you don't
6 have it, what we can do is take a break and I can fax
7 the pages but if you have it, we'll just work with
8 that. I am specifically looking at what BellSouth
9 refers to as a stand-alone FDN agreement, and this was
10 a contract that was signed in September of 2001. You
11 have access to that agreement, sir?

12 A. May I propose something?

13 Q. Sure.

14 A. My counsel is, of course, with me, Mr.
15 Kassman, and he, of course, is far more familiar with
16 the overall structure of the interconnection agreement,
17 maybe he can follow more easily what you're saying,
18 find the location that you're looking for, rather than
19 having me flip through a document that I have reviewed
20 but I'm not familiar with all the specific amendments
21 that you may be referencing?

22 Q. Sure. I'll try to give you page numbers and
23 that sort of thing.

24 MS. MAYS: What I need to know if you can get
25 access to, and I guess this is directed to Scott

1 as well, to see if you have this, is, I'm looking
2 at the -- it was signed by Mike Gallagher on
3 August 22, '01 and BellSouth, 9-5-01, Scott.

4 MR. KASSMAN: Okay.

5 MS. MAYS: In particular, I'm looking at
6 the, out of the general terms and conditions, Page
7 19 of 88, and I'm also looking at the first
8 page -- I'm sorry, not the first page -- 22 of 88
9 on the UNE rates for Florida.

10 Do you have those, Scott, or can you get
11 those?

12 MR. KASSMAN: I don't believe I have those
13 here, let me check one other place.

14 MS. MAYS: Let's do this, I'm going to, if
15 we can, I want to fax to -- fax to you, Scott, a
16 copy to staff as well, some contract provisions
17 I'd like to talk about. For the ease of time, I
18 think maybe we'll fax them all at once, and we may
19 or may not go through all of them, but if you
20 could give me your fax number, Scott.

21 MR. KASSMAN: Yeah, it's 407-447-4839.

22 MS. MAYS: And, Lee, what's yours? Lee, do
23 you need me to fax --

24 MR. FORDHAM: Yeah. 850-413-6227.

25 MS. MAYS: All right. If we could take a

1 very short break, we'll get that fax on the line
2 and then come back to it once you all receive it.

3 Hold on, please, for me.

4 MR. KASSMAN: Sure.

5 MR. FORDHAM: Sounds good.

6 (A recess was taken from 10:29 a.m. to 10:33
7 a.m.)

8 BY MS. MAYS:

9 Q. Dr. Ankum, I'm taking you back, out of order
10 back to your direct testimony on Page 6.

11 A. Yes.

12 Q. In the first answer beginning on line 7 and
13 then continuing all the way through line 12, you state
14 that BellSouth's practice of disconnect nonrecurring
15 charges is unsupported by the parties' interconnection
16 agreement. Is that right?

17 A. I'm reading the paragraph, if you'd give me a
18 second.

19 Yes.

20 Q. And do you know, in reaching that conclusion,
21 can you direct me to any particular portions of the
22 interconnection agreement?

23 A. Well, logically, of course, I can't since I'm
24 saying that it does not relate. If it were the
25 converse, if it were to relate, I would be able to

1 refer you to a portion.

2 Q. And would that answer hold -- would be the
3 same for a Commission order, rule, or regulation?

4 A. Yes.

5 Q. Is it your testimony that there has to be an
6 affirmative statement that addresses Winbacks for
7 BellSouth's practice to be supported?

8 A. Well, I believe that there has to be a number
9 of things. First, it has to pass a common sense,
10 red-faced test, and that would be, were Winbacks in
11 practice at the time that the Commission was
12 considering the UNE cost and when the interconnection
13 agreements were put in place. And if we know, for
14 example, that the Winbacks, that the Winbacks did not
15 exist, just like the hot-cut issue did not exist and
16 the Commission has subsequently recognized that the
17 hot-cuts separate costs analysis is warranted, then,
18 obviously, looking back, you say, well, if a separate
19 proceeding is needed for hot-cuts, and Winbacks are
20 kind of like a reverse hot-cut, then clearly you can
21 say, well, Winbacks should be examined in their own
22 light just like the hot-cuts. That is point one.

23 Secondly, looking at the Commission order
24 discussing BellSouth's cost studies and the whole
25 analysis and modification of the BellSouth rates and

1 costs, in that order is nothing that remotely comes
2 close to discussing the complexities of a reverse
3 Winback or a reverse hot-cut, i.e., a Winback. There's
4 just no discussion there at all. So there's not -- I'm
5 not saying that the word, Winback, per se, should show
6 up in those documents, but I believe that those
7 documents should at least bear some evidence that the
8 issue was considered and I would say, there is none.
9 And, of course, there is none because the Winback
10 creature didn't really exist or hadn't appeared on the
11 radar screen of anybody when the cost proceeding was
12 going on.

13 Thirdly, I would say that with respect to
14 contracts, again, I'm not a lawyer but I would like to
15 think that when contracts are negotiated and signed,
16 that there has to be some commonality of understanding.
17 And I don't think that it's reasonable to say that the
18 people that were signing the interconnection agreements
19 were envisioning Winbacks if those Winbacks hadn't even
20 appeared on the radar screen. So I would say that,
21 again, I'm not a lawyer, I don't think that the word,
22 Winback, has to either appear or not appear in it, but
23 I would say that I think it's unreasonable to assume
24 that those contracts envisioned the situation that the
25 people were not aware of yet, just like those contracts

1 don't envision -- did not envision hot-cuts.

2 Q. Have you had any discussion with FDN about
3 the difference between initiating a new docket to look
4 at the world as it is now versus not paying bills that
5 are charged under a contract?

6 A. I don't recall a specific discussion to that
7 purpose.

8 Q. Have you reviewed in reaching your
9 conclusions any of the FDN's sponsored testimony in the
10 cost -- Florida cost proceeding, which is the 990649
11 docket?

12 A. No, I've not, only to the extent it's found
13 its way into the Commission order and the Commission
14 order, as you know, has discussions of various parties'
15 positions.

16 Q. Were you aware that FDN prefiled testimony in
17 docket 990649 in which it recommended a nonrecurring
18 disconnect rate?

19 A. Yes, that's my understanding. I don't have
20 primary knowledge or direct knowledge of the testimony
21 but my understanding is that it was, indeed, the case.

22 Q. All right. Were you aware that the issue of
23 nonrecurring disconnect fees arose in the key customer
24 docket that FDN and BellSouth participated in?

25 A. Which docket is that?

1 Q. 020119.

2 A. I believe so, yes. But, again, all those
3 disconnects are really different disconnects than I'm
4 addressing in my testimony.

5 Q. Is it your testimony that the disconnects
6 raised in docket 020119 are different than the
7 disconnect rates in your testimony?

8 A. Um, the context -- the disconnect situation
9 I'm talking about in my testimony is that of
10 BellSouth's Winback or migration to another CLEC, that
11 issue did not come up in the initial Telric proceeding
12 and so in that sense, the costs that are being
13 investigated and the application of the charges are
14 distinct.

15 Q. And when you say, Telric proceeding, are you
16 talking about 990649?

17 A. Yes.

18 Q. And my question, sir, is, with respect to
19 docket 020119, which is also known as the, key customer
20 docket, for shorthand, your testimony that the
21 disconnect -- the nonrecurring disconnect charges that
22 you address in your testimony in this proceeding did
23 not arise in the 020119 proceeding?

24 A. Um, I wasn't saying -- my answer pertained to
25 the Telric docket.

1 Q. Okay. Let's talk about the key customer
2 docket, sir. Have you reviewed any of the testimony or
3 discovery that was filed in the key customer docket?

4 A. No, I don't believe so.

5 MS. MAYS: It may be appropriate now for you
6 all to check your faxes, I believe it's gone
7 through for Scott and Lee, if you all want to take
8 about two minutes.

9 MR. KASSMAN: Okay, great. We're going to
10 put you on mute.

11 (A recess was taken from 10:40 a.m. to 10:52
12 a.m.)

13 MS. MAYS: All right. So we're all on the
14 same page, this is one big fax but it's different
15 things. What I'm looking at on the very first
16 page at the bottom it's, by and between BellSouth
17 and Florida Digital Network(Interim), and it's
18 page 2 of 88. That is the cover page of what
19 BellSouth refers to as a stand-alone agreement,
20 and if you flip to Page 4 of 88, which should be
21 the third page, you'll see that it's dated,
22 8/22/01 and 9-5-01.

23 Does everybody have that?

24 MR. KASSMAN: That is correct.

25 BY MS. MAYS:

1 Q. Dr. Ankum, do you have that?

2 A. Scott is now putting it in front of me.

3 Q. All right. What I'd like to do after you're
4 done reviewing it, Dr. Ankum, and when we close, is
5 identify this and have it attached to the deposition as
6 an exhibit. If you see on -- let's actually go to the
7 second page, or the page at the bottom it says, 3 of
8 88. Do you see that, Dr. Ankum?

9 A. Give me a second. Yes, I do.

10 Q. And if you go down to about the sixth whereas
11 clause, do you see there that it refers to
12 incorporating the rates for UNEs set forth from a
13 docket we've talked about, 990649?

14 A. Yes.

15 Q. Now, if you go, sir, over to page, at the
16 bottom it says, 19 of 88. And I'll represent to you
17 and if you will accept, subject to check, this is just
18 all part of the contract, I'm just giving you the pages
19 that I want to talk about. But do you see that page 19
20 of 88 and do you see a section number 22.2.1 to the
21 left -- I'm sorry -- 21.2.1 to the left?

22 A. Yes. Can I read this?

23 Q. I'll read, sir, part of this language to you,
24 hopefully you can follow along. And it says here,
25 BellSouth may provide FDN notice via internet posting

1 of price changes, changes to the terms and conditions
2 of services available for resale, changes to business
3 processes and policies, notices of new service
4 offerings, and changes to service offerings not
5 requiring an amendment to this agreement, notices to be
6 posted to BellSouth's website, and any other
7 information of general applicability to CLECs.

8 Do you see that, sir?

9 A. Yes. May I have one second to just read it
10 to myself.

11 Q. Can you let me know when you're done with
12 your review, please.

13 A. Yeah.

14 Q. Are you done?

15 A. Yes, I am.

16 Q. I'm looking just generally at your direct
17 testimony at Pages 24 through 26. As I understand your
18 testimony, you're objecting to the UNE zone rate
19 changes that occurred. And my question to you, sir,
20 is, whether you reviewed the clause 21.2.1 prior to
21 reaching your conclusions?

22 A. I reviewed it in conjunction with the
23 Commission's 120-day order, and particularly in the
24 120-day order the Commission is very explicit that
25 these rates that are at issue here would go into effect

1 only after an amendment to the interconnection
2 agreement.

3 Q. If you flip over, sir, one page to the -- it
4 starts with rates, and it's 22 of 88, you will see at
5 the very top before you get into rates, a reference to
6 zone and a reference to a website. Do you see that,
7 sir?

8 A. I'm on page 22 of 88.

9 Q. Uh-huh.

10 A. And it didn't come through all that clearly
11 but which column do you want me to look at?

12 Q. Fifth line down, and the sentence begins, the
13 zone shown in. Do you see that language, sir?

14 A. Actually, the font is tiny and is nearly
15 illegible. Let me ask my Counsel to see if he can spot
16 the sentence.

17 It's five rows down, you said?

18 Q. Yes, it is. But let's try this, let me flip
19 you --

20 A. Well, you can read it to me and I can accept
21 it.

22 Q. And I'm looking, and I believe you've
23 testified as to seeing this language in your rebuttal,
24 I just want to make sure I understand it, but it's in
25 reference to an Internet website in particular.

1 A. Yes.

2 Q. Do you recall testimony where you've
3 discussed the reference to the Internet website?

4 A. Yes, I do.

5 Q. As I understand your testimony, you're
6 stating that a reference to an Internet website is not
7 sufficient to address UNE rate zone changes?

8 A. That's correct.

9 Q. Is that still your testimony, sir?

10 A. Yes. And as I noted in my previous answer, I
11 believe a fair reading of the Commission's 120-day
12 order is that the Commission explicitly requires an
13 amendment to the interconnection agreement and, as
14 such, a notice on a website would not be sufficient.
15 And then, of course, there are other policy reasons
16 that I state in my testimony about the misalignment of
17 costs and rates.

18 Q. And if I could direct you, sir, just so that
19 you know what I'm referring to, if you continue with
20 the fax, there's a page that starts with, amendment to
21 the agreement, and the bottom footer is 85 of 88. Do
22 you see that, sir?

23 A. Yes.

24 Q. And if you flip one page over again, showing
25 Exhibit 1, there is, again, a reference to the website

1 in Exhibit 1 at the top of that. Do you see that, sir?

2 A. I can -- again, it's so tiny that -- but
3 subject to check, I would accept that.

4 Q. All right. And just, again, I'm going to
5 flip you one page over, it's page, footer 53 of 88.

6 A. Yes.

7 Q. It's, again, amending the same contract, the
8 contract dated, September 5th, 2001, and then the next
9 page over, again, is a rate sheet, and that rate sheet
10 also shows the Internet website reference.

11 A. Subject to check, I would accept that.

12 Q. Okay. And just to make clear, Dr. Ankum, all
13 of the agreement and then the amendments refer to an
14 agreement that was in effect between BellSouth and FDN
15 prior to the implementation of the rate zone changes
16 that FDN objected to. Do you understand that, sir?

17 A. Could you repeat that question for me?

18 Q. What I'm asking is, do you understand that
19 the documents we have gone through, the two amendments
20 and then the actual contract language, those are parts
21 of the contract that were in effect between BellSouth
22 and FDN prior to the parties dispute of the UNE zone
23 rate billing dispute issue?

24 A. Yes, I believe that to be true.

25 Q. And just so we're clear, sir, the reference

1 to the Internet that we've discussed appears in three
2 places, I believe. Is that your understanding?

3 A. Yes. And I've qualified those with saying,
4 subject to check, I would accept that, yes.

5 Q. Right. If I could then get your attention,
6 sir, to the next page over, it's a footer, Page 6 of
7 532, and there's a BST 6/10/2002 also at the bottom.
8 Do you see that, sir?

9 A. Yes.

10 Q. And I will represent to you, sir, that this
11 is the parties current agreement, and if you will just
12 accept that, subject to check, for the purposes of my
13 questions. Can you do that?

14 A. Yes.

15 Q. I want to direct your attention to two pages
16 over, it has the footer is 24 of 532.

17 A. I'm there.

18 Q. And do you see, sir, at clause 25.3, a
19 reference to providing notices via the Internet?

20 A. Yes.

21 Q. And were you aware of that provision in the
22 contract, sir?

23 A. This is consistent with the other provisions
24 that you had me -- well, that you pointed me to.

25 Q. Right.

1 A. I don't recall this particular provision but
2 it doesn't seem out of place with the other provisions.

3 Q. All right. And if you could then flip, sir,
4 to the next page, and it's 58 of 532. Do you see that,
5 sir?

6 A. Yes, I'm there.

7 Q. And if you go to the very bottom of the page,
8 it's 1.7, the header is, rates, and then there's a
9 clause 1.7.1 that continues to the next page, and that
10 language states that the prices that FDN shall pay to
11 BellSouth for network elements and other services are
12 set forth in Exhibit B to this attachment?

13 A. Yes.

14 Q. When you then go, sir, to the last page of
15 the fax, you will see in that -- the rate page again,
16 and if you look at the very top column, there is a
17 column that refers to nonrecurring disconnect rates. Do
18 you see that, sir?

19 A. Yes.

20 Q. Is it your testimony that the contract
21 language that says the parties shall pay and then the
22 reference to the nonrecurring disconnect rates did not
23 address the nonrecurring disconnect rates that we've
24 talked about in connection with the Winback, sir?

25 A. I don't agree with your paraphrasing of my

1 testimony. My testimony is not that these are not the
2 disconnect charges that are being applied by BellSouth
3 to FDN, they, of course, are, but my testimony is that
4 these nonrecurring charges were never envisioned by the
5 Commission to apply to the Winback situation.

6 Q. Can you help me understand, sir, when a
7 party -- when FDN signs a contract that says, it shall
8 pay rates, how you reached the conclusion that the
9 rates do not apply in certain circumstances?

10 A. The way you always do it. You don't apply
11 switching charges when FDN orders an unbundled loop,
12 you always apply charges to the UNE or the activity
13 that is appropriate for those charges. And what our
14 testimony and complaint is, that the Winback situation,
15 like a Hot-Cut, is not something that was envisioned by
16 the Commission at the time, it's a situation in which
17 the costs are radically different, it's a situation in
18 which BellSouth is the cost causer, it's a situation in
19 which virtually all of the cost activities that
20 BellSouth identified in its cost studies do not take
21 place, and so the entire Winback situation is very
22 unlike the disconnect service for which the charges on
23 Page 139 that you're referring me to, is very unlike
24 the activities covered by these charges.

25 And so what we're saying is, this is a

1 complete misapplication of the UNE rates and it's a
2 misapplication of the interconnection agreement, and
3 that's the essence of the complaint.

4 Q. Do you believe, Dr. Ankum, that at the time
5 the Commission established nonrecurring disconnect
6 rates, that the industry expected customers would stay
7 with one provider and not switch providers?

8 A. I'm saying the converse. I'm saying that the
9 issue of the Winback and the reverse migration and the
10 cost implication of that, was not on the radar screen
11 of either the CLEC cost analyst, nor was it on the
12 radar screen of the Commission. I can't speak for
13 BellSouth but I don't believe that it was addressed in
14 their testimony either.

15 I'd like to add to this that, and this is
16 like a critical point, you're ascertaining in your
17 question that BellSouth is applying these charges, but
18 I'd like to point out to the Commission that that is,
19 in fact, not true. BellSouth itself has recognized
20 that these charges are misapplied for the simple
21 disconnects of the -- for what they call the queue
22 orders, BellSouth is systematically and routinely
23 giving FDN credits, i.e., recognizing that these
24 charges should not be applied in a Winback situation.

25 Secondly, with respect to the service.

1 ordering charges, the Soman and Somec charge, BellSouth
2 does not apply those either, even though these charges
3 clearly appear on this rate sheet. So BellSouth
4 itself, with FDN, has acknowledged and recognized that
5 the Winback situation is different. And in the Winback
6 situation, the disconnect doesn't apply because FDN is
7 not the cost causer, that the activities that BellSouth
8 engages in are virtually exclusively for the install of
9 its own customer and are not disconnect activities for
10 the FDN loop.

11 So we're all on the same page, the only place
12 that we differ is for the design loops and that is just
13 a small portion of the overall loops that FDN orders,
14 most of the loops that FDN orders are not -- in fact,
15 FDN exclusively orders nondesign loops, but then
16 sometimes BellSouth says that the nondesign loops are
17 not available and then it offers FDN a design loop.
18 And it's only for those loops, that small subsection
19 that when there is a disconnect taking place, that
20 BellSouth says, for those design loops I'm assessing
21 the disconnect charges, but for everything else,
22 BellSouth is in practice, not in work, because in the
23 testimony BellSouth takes issues with FDN, but in
24 practice, we're all on the same page, we all recognize
25 that these nonrecurring charges should not be applied

1 and that's precisely why BellSouth routinely and
2 systematically has given credits to FDN.

3 Q. Dr. Ankum, have you had any discussions with
4 anyone about -- with anyone at BellSouth concerning any
5 credits?

6 A. I've seen the documents, I've not personally
7 spoken with any of the Bell representatives about the
8 credits that routinely are provided to FDN.

9 Q. And your knowledge that credits are routinely
10 provided, sir?

11 A. Yeah, and it's not just that credits are
12 provided for the service ordering charges, for example,
13 that you find on this page for the disconnects,
14 BellSouth doesn't even charge FDN, except occasionally
15 you see a Soman, S-o-m-a-n, and a Somec, S-o-m-e-c, you
16 see those popping up on the billing sheets.

17 Q. Excuse me, Dr. Ankum, if you could answer the
18 question that I'm asking you. My question was, where
19 did you get the information concerning a systematic
20 credit?

21 A. Again, from the documents that I've seen
22 where, and Ms. Sharon Warren can testify to the
23 specific labeling of the documents, but I believe those
24 are the Bell invoices. And in the Bell invoices you
25 can see all the credits that BellSouth is giving to

1 FDN. Also, I believe in the testimonies you can see
2 the balances of, you know, the outstanding balances for
3 the nondesign loops and they're going down. And
4 they're going down not because FDN is paying the
5 disconnect charges, rather they're going down because
6 BellSouth is recognizing that the charges were applied
7 in error.

8 Now, I must also note that BellSouth's own
9 witnesses acknowledge in their testimony that the
10 service ordering charges are not being applied. So,
11 again, there's commonality there, there's a common
12 recognition that Hot-Cuts are different, there's a
13 common recognition that Winbacks are different. And
14 all that I'm saying is, the Winback was not considered
15 during the UNE Telric proceeding, it came subsequent to
16 everything we have analyzed, subsequent to the
17 interconnection agreement. Anybody who spends two
18 seconds thinking about it recognizes that if there's a
19 Winback situation, that BellSouth, not FDN, but
20 BellSouth initiates the migration of the customer, and
21 all the activities that BellSouth engages in for a
22 service installation for its own customer are not
23 activities that they should be charging FDN for.

24 Q. Well, I think if everyone recognized it, sir,
25 we wouldn't have this complaint. But putting that

1 aside, I'd like to direct your attention to page --
2 back to the pages I've given you, and if you'll go to
3 the second to last page, which is 134 of 532.

4 A. Give me a second. I'm on Page 134, is that
5 the one you're directing me to?

6 Q. Yes, sir.

7 A. Yes, I'm there.

8 Q. And if you go toward the top of the page it
9 says, Operation Support Systems (OSS). Do you see
10 that?

11 A. Yes.

12 Q. And do you see at 15.1, the sentence reads,
13 BellSouth has developed and made available the
14 following electronic interfaces by which FDN may submit
15 LSRs electronically?

16 A. Yes.

17 Q. And then dropping down to 15.2, LSRs
18 submitted by one of these electronic interfaces will
19 incur an OSS electronic ordering charge. Do you see
20 that, sir?

21 A. Yes.

22 Q. And with respect to the testimony that you've
23 just given with the credits, it's my understanding that
24 you have -- that is something that Sharon Warren is
25 familiar with or do you, yourself, have, beyond

1 reviewing the invoices, do you have personal knowledge
2 of?

3 A. Well, I have personal knowledge of the
4 document to the extent that I've seen the document and
5 I've reviewed the document and it's crystal clear that
6 BellSouth routinely and systematically gives the
7 credits for the nondesign loops. It's also crystal
8 clear from the document that, which is corroborated,
9 again, by your own witnesses in their testimony, that
10 the service ordering charges are not being applied. So
11 I have firsthand knowledge of reviewing the document.

12 Now, obviously, Sharon Warren is more
13 qualified, I believe, to speak to the invoices and the
14 total dollar numbers that correspond to those invoices
15 and how the balances have changed over time and how the
16 balance of the outstanding disputed invoices for the
17 nondesign loops, how they're going down. I mean, I
18 can't -- I haven't really audited those estimates of
19 BellSouth invoices to corroborate that, so she can
20 speak to all that.

21 Q. Well, you have read the testimony, haven't
22 you, with respect to the service ordering charges where
23 the parties do not appear to have a disagreement on
24 that issue, correct?

25 A. Yes, and that's what I'm referring to.

1 Q. And I've just directed your attention to the
2 contract in which there's a reference to FDN submitting
3 LSRs electronically, correct?

4 A. Yes. On Page 134, is that what you're
5 referring to?

6 Q. Now, I'd like to ask you, Dr. Ankum, if you
7 have actually witnessed a disconnection and
8 installation of an unbundled loop?

9 A. No. Just like I've never been to Japan but I
10 have some knowledge of Japan.

11 Q. Okay. And -- one moment, please. In your
12 direct testimony, at Page 19, you make a reference to
13 testimony of BellSouth witness Keith Millner and docket
14 030851.

15 A. Yes.

16 Q. Do you have that testimony with you, sir?

17 A. No, I don't.

18 Q. Do you recall whether the words, cost
19 causation, actually appear in that testimony?

20 A. I don't recall.

21 MS. MAYS: Okay. Those are all the questions
22 I have.

23 THE WITNESS: Thank you.

24 MS. MAYS: I would like to have the fax,
25 Scott, if you could give that to the court

1 reporter, I think we can mark it collectively as
2 just one exhibit.

3 MR. KASSMAN: Sure, we can do that.

4 Does staff have questions at this time for
5 Dr. Ankum?

6 Is staff there?

7 MR. FORDHAM: Yes, I'm sorry, I had the
8 phone on mute. I have just a couple, if you don't
9 mind, please.

10 (The document was marked for identification
11 as Exhibit 1.)

12 CROSS-EXAMINATION

13 BY MR. FORDHAM:

14 Q. There was some discussion of wire centers
15 moving and -- Dr. Ankum, this is Lee Fordham, Staff
16 Counsel. On Page 26, lines 1 and 6 of your direct
17 testimony, you're discussing moving wire centers and
18 you provided an example of the Jacksonville wire center
19 moving from zone 2 to zone 3 --

20 A. Yes.

21 Q. -- as a result of the 120-day order, which
22 caused an increase in the rate for that wire center.
23 Now, can you cite an example or were there any
24 instances where the wire -- where a wire center moved
25 from zone 3 to 2, the reverse of that, causing a

1 decrease in the rate?

2 A. Yeah, we looked at that, and, of course, I
3 haven't really memorized the wire centers that move
4 around. But there's some wire centers that move to
5 lower rate zones and some wire centers that move to
6 higher rate zones. Again, Ms. Sharon Warren can tell
7 you that when you have all those balancing out against
8 each other, that the practice works decidedly against
9 FDN. In other words, FDN ends up paying significantly
10 more for the very same loops under the reclassification
11 that BellSouth unilaterally applied. So, yes, the
12 moving back and forth, however, it's not a wash, there
13 is a -- it results very much in BellSouth -- I'm
14 sorry -- in FDN paying significantly more on balance.

15 Q. You're not aware of a specific example, I
16 guess?

17 A. We have that information, if you give me a
18 second to, it's a strange cryptic sheet and I'm not
19 sure if we have caught them all.

20 Q. That's okay, we don't need a specific example
21 unless you -- I thought you might have one off the top
22 of your head. But, I guess the question regarding that
23 is, when there is a situation where there's a decrease
24 as a result of a move, a zone move, is the amount of
25 that decrease also reflected in the present dispute?

1 A. Yes, I believe, and, again, Ms. Sharon Warren
2 can testify to this better than I can, but I've asked
3 her and she represented to me that from the disputed
4 amounts she has subtracted all those instances in which
5 the UNE loops went down in price as a result of the
6 reclassification.

7 Q. Okay. Fine. There was a discussion just a
8 few minutes ago regarding cost causation, economic and
9 competitive principles. On Page 4 of your testimony --

10 A. Yes, I'm there.

11 Q. Tell us what specific cost causation,
12 economic and competitive principles FDN is basing this
13 complaint on?

14 A. I think most succinctly we can probably go
15 back to the FCC's local competition order, where the
16 FCC is generally discussing cost and methodologies, a
17 number of costs and methodologies and then settles on
18 the Telric methodology. And the FCC is discussing in
19 general terms how it envisions the Telric methodology,
20 and critical to the Telric cost identification is that
21 the cost analyst sticks with cost causation, i.e., to
22 assign costs to either the activity or the entity that
23 is causing, c-a-u-s-i-n-g, the cost to come about. And
24 with that -- and there's a fairly extensive discussion
25 in the local competition order and the FCC expounds on

1 that by noting that, critical, of course, in setting
2 prices, is that one sends the appropriate economic
3 signals, price signals, to all the parties involved.

4 And it's that particular principle, I think,
5 that I'm recommending that the Commission should adhere
6 to. The essence here is that when BellSouth is
7 engaging in their Winback programs and -- but it is
8 seeking to recoup the costs, the installation charges
9 from FDN, under the guise of nonrecurring costs, that
10 BellSouth doesn't face the true social cost of engaging
11 in Winback, in fact, it's being subsidized, so to
12 speak, by FDN, which would result, as always is the
13 case for subsidies, in an excessive engagement in a
14 particular activity.

15 In this case, of course, BellSouth would be
16 stimulated to engage in more Winback programs with
17 waiving of their retail service ordering charges,
18 precisely because it knows that it can recoup whatever
19 cost it incurs in installing a retail customer, it can
20 recoup those costs from FDN under its current
21 practices. And I say that is flawed because it's
22 BellSouth that is initiating the disconnects and the
23 installation of the retail, for them becomes its retail
24 customer, and so it's BellSouth that should face the
25 true economic cost of that. If BellSouth is not facing

1 the true economic cost, you've got a misallocation of
2 resources. Of course, a corollary effect of that is
3 then that FDN is, in effect, forced to subsidize its
4 main competitor and I phrase that as, FDN will be
5 forced to subsidize its own demise.

6 Q. Hold just a moment, please, sir.

7 Okay. Dr. Ankum, following through a little
8 bit on that, on Page 12 of your testimony, lines 21,
9 23.

10 A. Yes, I'm there.

11 Q. BellSouth is the cost causer because
12 BellSouth set into motion the chain of activities
13 associated with migrating the customer. Can you give a
14 specific example of what BellSouth does to, quote, set
15 into motion the chain of activities associated with
16 migrating the customer?

17 A. Yes. Yes, I can. And, in fact, I've
18 addressed that at various places in both my direct and
19 my rebuttal testimony. First, and this is acknowledged
20 by BellSouth itself, BellSouth, when this -- Winback
21 situation, BellSouth issues a service order to FDN,
22 which, of course, is a complete reversal of what was
23 envisioned by the Commission in the Telric order. In
24 the Telric order the Commission envisioned that if
25 there's a disconnect, that FDN would place a service

1 order with BellSouth. So the process starts with
2 BellSouth contacting FDN service reps, and FDN has its
3 own group set up here that people that take in those
4 Winback service orders from BellSouth. So the process
5 starts in motion with those service ordering
6 activities.

7 Then there's a number of service provisioning
8 activities that take place and I've addressed those in
9 my rebuttal testimony. And I'm drawing on the
10 BellSouth responses to our interrogatories, and if I
11 can refer you specifically to Page 18 and then the
12 following pages where there's a discussion, as well as
13 Page 20, of the various activities that are involved in
14 the Winback situation. And I'm discussing these
15 activities, I identified them as bullet points and then
16 I discussed them.

17 And I demonstrate there that all of the
18 activities that BellSouth identified that are involved
19 in a Winback, and the question simply was to BellSouth,
20 tell us everything you do when you migrate a customer
21 from FDN to BellSouth. So they give us all those
22 activities. And if you look at those activities
23 identified on Pages 18 and 20, you see that all of them
24 are installation activities, and there's possibly one
25 exception, which is the actual disconnection of a

1 jumper cable, but everything else, all the testing, all
2 the other things are really being done as an
3 installation activity for BellSouth on retail customer.

4 So the only remaining activity that one can
5 possibly point to as an activity that's performed
6 exclusively for FDN, and it's the removal of the
7 jumper, but there I have a footnote in my testimony in
8 where I point out, and that's on Page 19, that the
9 removal of the jumper cable itself is really captured
10 in the cross-connect charges, the jumper is not part of
11 the loop. So to the extent that one could argue
12 possibly that the disconnecting of the jumper itself of
13 the main distribution frame is an activity performed
14 for FDN, that really is a minor, minuscule disconnect
15 charge for a jumper cable, that is not a justification
16 for \$25 or let alone the \$69 or 60-some dollars for the
17 design loop disconnect.

18 Q. Dr. Ankum, thank you for that. I think we're
19 not looking so much at the technical end of it though.
20 Why, for example, would not the end user that requests
21 the change, request to change carriers, why would that
22 request not be considered the cost causer in a Winback
23 situation?

24 A. Um, between two carriers -- well, let me back
25 up a little bit. When I look at the chain of cost

1 causation, you look at which parties are engaging with
2 each other, and we're looking here at the wholesale
3 level because we're talking about the application of
4 wholesale charges, UNEs are wholesale rates as opposed
5 to retail rates. When an FDN customer orders through
6 FDN an unbundled loop, from BellSouth's perspective and
7 from the Commission's cost analysis' perspective, FDN
8 is the cost causer. Now, obviously, that is a derived
9 demand ultimately, of course, it's the FDN customer
10 that has placed an order with FDN and then FDN turns
11 around and places a order for an unbundled loop with
12 BellSouth. From BellSouth's perspective and from the
13 Commission's cost analysis' perspective, FDN is the
14 cost causer on the wholesale level.

15 When you go to retail level then, of course,
16 it is, indeed, the end user that is the cost causer,
17 but that retail relationship is one between FDN and its
18 end user, and in this particular situation of the
19 Winback, it's the end user that, of course, is the cost
20 causer, but it's the retail relationship between
21 BellSouth and its retail end user.

22 But we are getting to a critical point here
23 and the point I've made in my testimony is that, yes,
24 the retail customer, of course, ultimately is the cost
25 causer because that customer has decided to move back

1 to BellSouth as a result of a Winback program,
2 therefore, is critically important somehow that the
3 costs of that decision is being brought to bear on that
4 situation and BellSouth, if it cannot recoup its cost
5 for FDN, will have no choice either to eat those costs,
6 or as part of its Winback program, to flow thru to the
7 end user the true cost that the end user has imposed on
8 society by its decision to move from FDN to BellSouth
9 if BellSouth can, in its Winback program, waive any
10 service ordering charges to its end users, which I
11 believe it's doing in some instances, and, of course,
12 it can only do so because it knows it can recoup those
13 costs from FDN, inappropriately, if those Winback
14 programs allow BellSouth to not charge for service
15 ordering charges, it's, in effect, being subsidized to
16 engage in those Winback programs. And, again, that
17 forces FDN to subsidize its own demise and it runs
18 contrary to anything the FCC talks about as cost
19 causation.

20 And, incidentally, those are direct
21 violations, I believe, of what the FCC has identified
22 as nonrecurring cost and criterium for, and in the
23 Telric order the Commission very clearly said, the
24 nonrecurring cost is only a cost that benefits only the
25 specific CLEC that is placing an order. If it doesn't

1 benefit only CLEC, but if benefits multiple entities,
2 then it's not a nonrecurring cost or a nonrecurring
3 charge. Clearly, when there's a Winback situation and
4 BellSouth engages in all these activities of moving the
5 customer from FDN to BellSouth, BellSouth is the
6 beneficiary of that. And, you know, if you want to
7 argue that FDN is a beneficiary because somebody is
8 being disconnected, then at a minimum you have two
9 carriers that are benefitting, which immediately runs
10 contrary to the FCC's definition of a nonrecurring
11 charge and it runs contrary to this Commission's own
12 finding in the UNE Telric order, where it says when
13 costs are nonrecurring charges.

14 Q. Okay. Thank you, sir. Let's go to Page 9 of
15 your testimony, lines 9 and 11.

16 A. Excuse me, sir, which page did you say?

17 Q. Page 9.

18 A. Page 9, I'm there. And which line?

19 Q. 9 through 11.

20 A. If you give me a second.

21 Q. You state that BellSouth is in the best
22 position to know to whom FDN loses a customer, and I
23 guess the question is, why does FDN need to know
24 whether the lost customer goes to BellSouth or to some
25 other CLEC?

1 A. I think I'm stating kind of the converse of
2 that. Since FDN does not initiate the migration of the
3 customer, we know that FDN is not the cost causer.
4 Now, when the question emerges of who is the cost
5 causer, well, FDN cannot answer that question because
6 FDN has no insight into why the customer is leaving.
7 So when the question comes, who is the cost causer,
8 BellSouth is the entity that knows, either it's
9 BellSouth itself because it's a BellSouth Winback
10 customer, or it would be a customer that's moving to
11 another CLEC, but FDN doesn't know that but BellSouth
12 does. So BellSouth is the party involved here that can
13 identify which entity is the cost causer.

14 And so I was really more saying the converse.
15 I'm not saying FDN needs to know, I'm saying, to the
16 extent that we need to determine who the cost causer is
17 and where to recoup the costs, FDN doesn't have that
18 info, but BellSouth does.

19 Q. Okay. Flipping over to Page 13, 12 through
20 14, does FDN currently recoup its internal cost for
21 processing a disconnect order from an end user?

22 A. I believe -- not directly. When it performs
23 these services for BellSouth, FDN, in effect, eats
24 those costs. I think FDN has operated on the principle
25 that when two carriers interconnect, there's certain

1 costs that each of them will incur that you don't
2 recoup from the other party. And I think they're
3 working basically on the same paradigm as we have found
4 with reciprocal compensation, where it's recognized
5 when you have the intermachine trunks that is
6 transporting local calls back and forth between the two
7 networks, that each of the carriers incurs its own
8 costs, even though it may have to put facilities in
9 place to terminate the traffic coming from the other
10 direction, at some point part of that is a reciprocal
11 responsibility and particularly if traffic is in
12 balance, then, you know, everything works out fine,
13 because each party can simply make sure they recoup
14 their own costs. And I think FDN has operated on the
15 principle here that it's taking in service orders from
16 BellSouth and that that is part of its obligation as a
17 carrier, of course, FDN is being frustrated in that
18 approach since when the converse is true, BellSouth
19 does not honor that same principle.

20 Q. Okay. Do you have there at your disposal the
21 testimony of Mr. Morello?

22 A. I think I can track it down. Yes, sir.

23 Q. If you could go there, sir, on Page 16 of
24 Carlos Morello's testimony, lines 10 through 13.

25 A. Yes, I'm there.

1 Q. Do you know, sir, did BellSouth offer an
2 amendment or execution on December 27, 2002?

3 A. Give me a second so I can read his testimony
4 in context.

5 I don't know exactly when BellSouth offered
6 an amendment to FDN, but my understanding is when all
7 interconnection agreements are being negotiated and the
8 interconnection agreement is not -- I'm not a lawyer,
9 but I would think, and what I've seen, is that the
10 interconnection agreements do not go into effect at the
11 point that a party offers an amendment to another
12 party, they go into effect when both parties agree and
13 sign the agreement.

14 Q. Do you accept Carlos Morello's assertion that
15 it was offered or execution on December 27th, 2002?

16 A. Actually, I really would be uncomfortable
17 doing that since these are typically issues where
18 parties may differ on and I have absolutely no
19 knowledge of what BellSouth offered to FDN at which
20 point and I hate to commit my client to any admission
21 to that effect.

22 Q. What were the rate zone designations based on
23 the pre-2003 agreement?

24 A. How do you mean that question? There's a
25 number -- the Commission de-averaged the unbundled loop

1 rates and then in the subsequent order it changed that
2 -- those classifications and there's a large number of
3 central offices involved. So, I mean, clearly, the
4 Commission rearranged which wire centers would fall in
5 which rate zone.

6 Q. I guess what I'm getting at, sir, is whether
7 they were based on a Commission order as opposed to
8 agreement, parties' agreement and so forth?

9 A. I believe that FDN opted into a preexisting
10 interconnection agreement, initially, and I believe
11 that might have been the MCI agreement. My -- well,
12 I'm conjecturing here but I would presume that the MCI
13 agreement incorporated the outcome of the MCI
14 arbitration with BellSouth, and that it was based,
15 therefore, on a Commission order involving that
16 arbitration. I don't know that for a fact, that's a
17 conjecture on my part. I do know that FDN opted into a
18 preexisting agreement and the exact terms and
19 conditions of that preexisting agreement and how they
20 came about, I'm just speculating about, as I just told
21 you.

22 Q. Back to your testimony, if you would, please,
23 sir, on Page 24.

24 A. Yes, I'm there.

25 Q. Starting about line 4 through maybe 14.

1 Would you agree that BellSouth cannot implement new UNE
2 rates without proposing an agreement or -- excuse me --
3 an amendment to the parties' interconnection agreement?

4 A. I'm giving you my understanding based on the
5 Commission's order, and I think that the Commission was
6 fairly explicit in the 120-day order that the new UNE
7 rates may be charged or applied only after an amendment
8 of the interconnection agreement. So what you're just
9 saying seems to be consistent with how I read the
10 Commission's order, that an amendment of the
11 interconnection agreement is required, but it has to be
12 signed, of course, it's not just the offering of an
13 interconnection agreement, as I noted in a previous
14 answer, anybody can offer anything.

15 Q. Do you know, sir, in the parties' agreement
16 where it might prohibit BellSouth from implementing
17 Commission ordered rate zone redesignations without an
18 amendment to the parties' interconnection agreement?

19 A. You have to give me a second. That would be
20 a difficult question to just -- if I may have a second,
21 if I may flip through the order to see if I see
22 something.

23 Q. Absolutely.

24 A. I'm looking here at the interconnection
25 agreement, which is the original interconnection

1 agreement, let me see if I can identify it for you. I
2 know it's signed in '98. As I noted earlier, FDN
3 adopted a preexisting interconnection agreement between
4 MCI Metro and BellSouth, and as I said, that's the
5 original agreement to which the amendments were made,
6 and there's a section there that deals with regulatory
7 approvals, et cetera, et cetera, and particularly
8 section 2.2. And let me read this to you. In the
9 event the FCC or the state regulatory body promulgate
10 rules or regulations or issues orders or a Court with
11 appropriate jurisdiction issues orders, which makes
12 unlawful any provision of this agreement, the parties
13 shall negotiate promptly and in good faith in order to
14 amend the agreement to substitute contract provisions
15 which are consistent with such rules, regulations, or
16 orders.

17 In the event the parties cannot agree on an
18 amendment within 30 days from the date any such rules,
19 regulations, or orders become effective, then the
20 parties shall resolve their dispute under the
21 applicable procedure set forth in Section 23, dispute
22 resolution procedures hereof.

23 Now, obviously, there's a reference here to
24 the dispute resolution procedure, but I think it's
25 fairly obvious that what is intended in the

1 interconnection agreement here is consistent with what
2 the Commission itself said in the 120-day order, that
3 you don't just unilaterally change rates but that to
4 the extent that the Commission settles on new rates or
5 other rules and regulations, that there's an amendment
6 to the interconnection agreement, not just an amendment
7 offered.

8 This paragraph here, Section 2.2, very
9 explicitly says, you know, that the parties have to
10 really agree on that amendment. And, again, I'm not a
11 lawyer but I would think that the -- my understanding
12 from the interconnection agreement is, in general, that
13 they have to be interconnection agreements that are
14 signed by both parties.

15 Q. Do you think the Commission's prior orders
16 were referring to rates as opposed to zones?

17 A. I think that where rates are de-averaged
18 across zones, that one can never talk about a rate
19 without considering a zone, that the rate is only
20 relevant with respect to a UNE ordered in a particular
21 zone. And I have to add to that, of course, that
22 that's the only thing that makes sense since the FCC
23 requires, as well as the Telecom Act, that rates are
24 rate based. And if you apply rates and you apply them
25 to a zone that they're not calculated for, then,

1 obviously, immediately, by definition, you have a
2 misalignment of rates and costs, which is a violation
3 of everything, but also a violation of the Telecom Act,
4 it's in violation of the FCC's local competition order.

5 MR. FORDHAM: Okay. Thank you. Staff has no
6 further questions.

7 THE WITNESS: Thank you very much.

8 MR. KASSMAN: FDN has some follow-up
9 questions for Dr. Ankum, but at this time I think
10 it's clear that all the parties here need a health
11 break, so if we could take maybe a 15-minute break
12 and come back on the record.

13 MS. MAYS: Can we do it faster than 15
14 minutes?

15 MR. KASSMAN: 10 minutes?

16 MS. MAYS: Like 5 or 10?

17 MR. KASSMAN: We'll do our best.

18 MS. MAYS: Thanks.

19 (A recess was taken from 11:45 a.m. to 11:51
20 a.m.)

21 CROSS-EXAMINATION

22 BY MR. KASSMAN:

23 Q. Dr. Ankum, you stated earlier in your
24 testimony today in this deposition that you're familiar
25 with the Commission's UNE order in docket 990649, is

1 that correct?

2 A. Yes.

3 Q. Do you recall in that order was there a
4 discussion of nonrecurring costs and activities and how
5 -- and the corresponding benefit to CLECs?

6 A. Yeah, and I believe I was referring to it in
7 a question from the staff attorney. There was a
8 somewhat extensive discussion about what constitutes
9 nonrecurring costs, what constitutes recurring costs,
10 and which activities are nonrecurring activities, et
11 cetera, et cetera. And the purpose of that discussion
12 is an obvious one, of course, since before you begin to
13 aggregate costs, you first want to make sure that you
14 have categorized the costs appropriately. And the
15 Commission was giving guidance to the parties and the
16 criterion that the Commission adopted was the criterion
17 put forth by the AT&T/MCI witness, Mr. King, I recall,
18 and the criterion really is, and I think it's the
19 correct one, and I'm sure the FCC thinks it's the
20 correct one, the criterion is that a cost is only a
21 nonrecurring cost if it benefits only the specific CLEC
22 in question.

23 And the notion, of course, is obvious,
24 because if it only benefits the specific CLEC in
25 question, then you better make sure that you get that

1 cost from that specific CLEC, but if others benefit,
2 either in part or exclusively, then it would be
3 inappropriate to recover that cost from a particular
4 CLEC that happens to come into your field of vision,
5 which in this particular case happens to be FDN.

6 As I discussed with the Winback situation,
7 the Winback benefits BellSouth, BellSouth initiates the
8 activity, BellSouth benefits, and by the FCC's
9 criterium and this Commission's own criterium, to the
10 extent that there are those costs, those costs are
11 nonrecurring costs associated with BellSouth and not
12 FDN.

13 Q. So has this same criterium that you just
14 referenced, has that been used by the FCC as well?

15 A. Yeah. When I'm saying the FCC, I need to
16 qualify that. What I have in mind here is the FCC's
17 Virginia arbitration order. And as many parties have
18 pointed out, the FCC in this case, really the FCC wire
19 line competition bureau, and in the Virginia
20 arbitration order in paragraph 156 there's a
21 discussion, there's a fairly lengthy discussion of
22 nonrecurring costs since the Commission, their
23 arbitrators among the other UNE rates, also
24 nonrecurring charges, and it very explicitly states
25 there that nonrecurring costs are those costs that

1 benefit only a specific CLEC. And if it benefits more
2 than one CLEC or other CLECs, then it's not a
3 nonrecurring cost. So all of that, again, is
4 consistent with my testimony here and inconsistent with
5 BellSouth.

6 Q. On the issue of cost causation, BellSouth's
7 cost studies make reference to costs for certain
8 initial activities and certain additional activities,
9 is that correct?

10 A. Yes.

11 Q. How is that relevant to the situation here?

12 A. It's relevant in a very limited sense. It's
13 relevant in that, you know, it's part of the discussion
14 of cost causation. I think we should recognize that
15 BellSouth itself uses the cost causation process in its
16 cost studies. Now, one may at times differ with
17 BellSouth's studies, but to the extent these cost
18 studies have been discussed by the Commission in the
19 Telric Order, and there's a fairly lengthy discussion
20 of those nonrecurring cost studies, it's clear that
21 BellSouth proposed studies envisioned that there would
22 be costs. For example, an initial loop and then if you
23 look at the cost for the additional loop, all of a
24 sudden for many of the activities, the cost for the
25 additional loop goes down to zero.

1 And the recognition there is that BellSouth
2 in its own, in development of its own cost studies has
3 recognized cost causation. It has recognized that, for
4 example, if there's one activity, for example, the
5 installation of a first loop, that the installation of
6 the second loop, which is a synchronous event, because,
7 particularly for things like establishing
8 cross-connection out in the field, if the technician
9 needs to travel out to a remote location for that, if
10 they need to travel there for the first installation of
11 the first loop, then, obviously, they're also there for
12 the installation of the second loop on the same order.

13 So BellSouth applies that logic immediately.
14 And all that we're saying here is, apply that same
15 logic of cost causation to the situation of the
16 Winback. In the Winback the chain of activities start
17 with BellSouth placing a service order with FDN for a
18 disconnect, it's not the other way around. And,
19 basically, what BellSouth does, it goes through a set
20 of activities to install service to its own Winback
21 customer. So BellSouth is at the place, at the main
22 distribution frame, BellSouth -- of course, is already
23 a working loop so, basically, all the standard
24 activities that BellSouth engages in in installing a
25 loop, a new loop, really don't even apply, but that's a

1 secondary point because it's a working line.

2 But, nevertheless, to the extent that
3 BellSouth needs to go in its central office to its main
4 distribution frame to install a jumper cable to
5 activate service to its own customer, it's already
6 there, and now what we're saying is, well, then
7 recognize there's a logic there just like with the
8 additional loop, you should leave out the travel as
9 BellSouth does. When BellSouth goes to the main
10 distribution frame to install service to its own
11 customer, it's already there, and it's doing all these
12 things as part of the installation of its own -- of
13 service to its own customer. And all we're saying is,
14 recognize that that cost causation principle is being,
15 you know, should be applied here as well.

16 Q. Okay. Dr. Ankum, I'm looking at a document
17 obtained by FDN through discovery from BellSouth, I'd
18 like you to take a look of this, it is entitled,
19 Central Office Winback Procedures. Would you take a
20 look at that for me, please.

21 A. I'm there.

22 Q. Does that document look familiar to you, have
23 you seen that before?

24 A. Yes, I've reviewed this.

25 Q. Can you provide me with a brief summary of

1 what that document, which is rather voluminous, what
2 that document essentially states?

3 A. Yes, and I'll give you -- well, I will read
4 from this particular page that I have in front of me,
5 where it says, overview, and then it states, the
6 following guidelines outline the provisioning process
7 when end users migrate from another local service
8 provider to BellSouth, i.e., a Winback, and they
9 actually -- that was my addition but they quote, this
10 is also referred to as a port-back or port-in, and end
11 user migration. This document, again, is titled, the
12 Winback procedures, and is a fairly large document and
13 it's detailing everything that's involved in the
14 Winback, in the operational aspects of the Winback
15 migration.

16 Q. Great. Now, at the very top you see there
17 are some, a combination of numbers and letters listed.
18 Right underneath that, can you read me what that says?

19 A. Yeah. There's a date, this document is
20 dated, and the date is, Issue 1, so it's not a follow
21 up to a previous document, it's Issue 1, and it's dated
22 as October 2001.

23 Q. So is it your understanding that this is the
24 first iteration of BellSouth's Winback procedures?

25 A. I can't say that with certainty but typically

1 the way these type of documents that I've reviewed from
2 many RBOCs, the way that they work is they tend to
3 identify which generation of particular document it is.
4 And here it says, Issue 1, so my feeling is that this
5 is probably, the October 2001 issue is probably the
6 very first document that BellSouth has explicitly put
7 together to direct its technicians and other personnel
8 on how to deal with a Winback situation.

9 Q. Okay. Now, you've got a copy of the
10 Commission's final UNE order in docket number 990649 in
11 front of you?

12 A. Yes.

13 Q. Can you please read me the date that that
14 order was issued?

15 A. Give me a second. I believe that order was
16 issued and, of course, we're talking about the order
17 here, the order is issued, May 25, 2001.

18 Q. So are you telling me that the BellSouth
19 Winback procedures manual that you just read from was
20 issued much after the Commission issued its final UNE
21 rate order in docket 990649?

22 A. Yeah. And, of course, more importantly, I
23 would say that the -- and that's absolutely true but,
24 more importantly, I would say that the construction of
25 the BellSouth cost studies, of course, predated the

1 issuance of the Commission order. And I don't know
2 exactly when BellSouth started constructing its cost
3 studies and exactly when the filing date of its
4 testimony was in this particular proceeding, but I
5 would imagine it goes back easily to 1999. And I would
6 say that the Winback procedure document that we
7 discussed earlier, I think, demonstratively indicates
8 or proves that all of these Winback procedures that
9 were developed subsequent to the Commission order could
10 not possibly have been considered by the Commission in
11 its UNE Telric case and, therefore, the rates cannot
12 possibly reflect these procedures, just like the
13 hot-cuts don't.

14 Q. Okay. I'd like to go back for a moment to
15 your discussion with opposing counsel of docket 020119,
16 which was the -- a docket initiated by FDN concerning
17 BellSouth Winbacks and BellSouth promotional programs,
18 in particular, FDN'S -- excuse me -- BellSouth's key
19 customer program.

20 A. Yes.

21 Q. You're familiar with that discussion earlier
22 with opposing counsel?

23 A. Yes, I recall the discussion.

24 Q. And what is your understanding of the nature
25 of that docket, other than what I've mentioned, what

1 was being discussed there? Were those retail charges
2 or wholesale charges?

3 A. My understanding is that the focus of that
4 docket was on BellSouth's Winback programs and on its
5 retail activities, the retail rates that are part of
6 those Winback programs and the competitive implications
7 of that. What was not discussed in that docket, to my
8 knowledge, by the Commission and nor by BellSouth, were
9 the wholesale rates, such as the nonrecurring charges
10 that would apply to companies like FDN.

11 Q. I'd also like to take you back to your
12 discussion with opposing counsel earlier today
13 regarding the averaging of costs, the over recovery on
14 occasion or on occasion the under recovery of costs.

15 A. Yes.

16 Q. And tell me if this is a fair
17 characterization of that discussion. That, basically,
18 carriers can under recover on occasion, carriers can
19 over recover on occasion, but the point is that it all
20 comes out in the wash, it balances out?

21 A. Yeah. And when you say, on occasion, I
22 understand you to mean there, with respect to a
23 particular UNE, almost certainly with respect to a
24 particular individual service order, BellSouth will
25 either over or under recover, but by setting the UNE

1 prices, clearly the objective of the Commission was
2 that on average, be it for a de-averaged zone or for a
3 nonde-averaged rate element, that on average, the over
4 recovery would offset the under recovery and that on
5 average there would be an exact recovery of the exact
6 costs.

7 Q. Now, is that the case here, is there, if you
8 will, does it all come out in the wash, or is there a
9 net over recovery or under recovery here?

10 A. Because of the -- my testimony would be that
11 in the situations where it concerns Winbacks, that
12 there's a systematic over recovery occurring. And the
13 over recovery stems from two sources. First, there's
14 an over recovery because BellSouth is applying charges
15 that are completely mismatched with the activities that
16 the company engages in. It's very clear as I've
17 discussed on Pages 18 of my rebuttal testimony, I
18 believe, Page 20, I list other activities, that all of
19 those costs, all those activities are really
20 installation activities that BellSouth engages in. And
21 those are not costs that are reflected in the cost
22 studies that the Commission approved.

23 So, point one, there is an over recovery
24 there, BellSouth doesn't need to test the loop, it
25 doesn't need to go out to the remote terminal, it

1 doesn't need to do any of those things that the
2 Commission discusses in the UNE Telric order. It's a
3 working, functioning loop that BellSouth knows is
4 functioning and operational because it's an active loop
5 with an active, at some point, FDN customer, who then
6 becomes a BellSouth customer. So it's really much more
7 reminiscent of a UNE-P migration, for example. So we
8 know that there's over recovery there.

9 Then there's another source of over recovery.
10 To the extent that BellSouth does recover some of the
11 installation charges from either its own end users,
12 which is the Winback customer, or in another case where
13 the customer may go to another CLEC, BellSouth clearly
14 is charging the other CLEC an installation charge as
15 well. So it's charging on both ends, and the bottom
16 line is that there are no offsetting under recoveries
17 that this becomes a wash with. Clearly, the
18 application of BellSouth's charges would result in a
19 consistent over recovery.

20 Now, I have to add one thing to that and I've
21 already discussed this with the BellSouth Attorney,
22 BellSouth itself is recognizing this, and I cannot
23 stress enough that BellSouth in its own practices, as
24 well as partially in its testimony, recognizes that the
25 Winback is different. It is giving credit

1 systematically through FDN for the nondesign loops, it
2 recognizes that when there's a migration with a
3 nondesign loop, BellSouth just takes that working loop
4 and rolls it over and it now becomes a BellSouth
5 customer, there's nothing to be done there in terms of
6 work on the loop. So BellSouth gives credits to FDN
7 for that. BellSouth also doesn't apply the service
8 ordering charges.

9 So to the extent there's over recovery,
10 BellSouth in its practices has mitigated the impact,
11 it's just that when you read their testimony, they
12 don't seem to recognize clearly, the BellSouth
13 testimony does not differentiate between the design and
14 the nondesign loops. The only dispute really is about
15 the design loops, but you would never know that reading
16 the BellSouth testimony.

17 MR. KASSMAN: That's all we have.

18 THE WITNESS: Thank you.

19 MS. MAYS: I'll call back in to everybody at
20 1:30.

21 (The deposition concluded at 12:08 p.m.)
22
23
24
25

J U R A T

Deposition of Dr. August H. Ankum

Taken: August 25, 2004

Barbara Perry & Company, Inc.
201 North Palmetto Avenue
Orlando, Florida 32801

Page 5 - 77, inclusive.

Errata attached: Yes _____ no _____

Signature of Deponent

Sworn to and subscribed before me
this _____ day of _____,
2004 in _____.

Notary Public
My commission expires:

C E R T I F I C A T E


State of Florida:
County of Seminole:

I, Suzanne G. Patterson, do hereby certify that I placed under oath the deponent, Dr. August H. Ankum, at the time and place herein designated.

Witness my hand and official seal this 9th day of September, 2004.



Suzanne G. Patterson
My Commission DD294924
Expires March 30, 2008


Suzanne G. Patterson
Registered Professional Reporter
Notary Public,
State of Florida at Large.

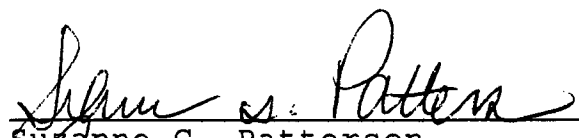
I, Suzanne G. Patterson, Registered Professional Reporter, certify that I was authorized to and did stenographically report the foregoing proceedings at the time and place herein designated; and that the foregoing pages 5 through 77, inclusive, constitute a true, complete and accurate transcription of my said stenotype notes.

I further certify that I am not of counsel for, related to, or employed by any party hereto or attorney involved herein, nor am I financially interested in the outcome of this action.

Witness my hand and official seal this 9th day of September, 2004.



Suzanne G. Patterson
My Commission DD294924
Expires March 30, 2008


Suzanne G. Patterson
Registered Professional Reporter
Notary Public,
State of Florida at Large.

By and Between
BellSouth Telecommunications, Inc.
And
Florida Digital Network (Interim) - FL

**Agreement Between
BellSouth Telecommunications Inc.
And
Florida Digital Network, Inc.**

THIS AGREEMENT is made by and between BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, and Florida Digital Network, Inc. ("FDN"), a Delaware corporation, and shall be deemed effective as of the last date of signature by the Parties. This Agreement may refer to either BellSouth or FDN or both as a "Party" or "Parties."

WITNESSETH

WHEREAS, BellSouth is a local exchange telecommunications company authorized to provide telecommunications services in, *inter alia*, the state of Florida; and

WHEREAS, FDN is a CLEC authorized to provide telecommunications services in, *inter alia*, the state of Florida; and

WHEREAS, BellSouth and FDN have entered into good faith negotiations pursuant to the Act to renegotiate an interconnection agreement ("New Interconnection Agreement") to replace the existing interconnection agreement between the Parties, which expired on June 3, 2000 ("Expired Interconnection Agreement"); and

WHEREAS, until such time as the Parties execute the New Interconnection Agreement, BellSouth and FDN shall continue to operate under the rates, terms and conditions of the Expired Interconnection Agreements; and

WHEREAS, BellSouth and FDN are currently involved in an arbitration proceeding (the "Arbitration") before the Florida Public Services Commission to resolve any and all disputes which arose during the course of the negotiations; and

WHEREAS, FDN desires access to incorporate rates for UNE's as set forth by the Florida Public Service Commission in Docket Number 990649-TP/Order Number PSC-01-1181-FOF-TP issued on May 25, 2001.

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, BellSouth and FDN hereby covenant and agree as follows:

1. Attachment I, Table 1-1, 1-2, 1-3, 1-4, 1-5 of the Expired Agreement is hereby amended to include those rates ordered by the Florida Public Service Commission in Docket Number 990649-TP as set forth in Exhibit I attached hereto and incorporated herein by this reference.

2. Attachment 1, Exhibit A of the Interim Agreement dated October 20, 2000 and the Amendment to the Interim Agreement to add Dark Fiber rates dated March 20, 2001 are hereby amended to include those rates ordered by the Florida Public Service Commission in Docket Number 990649-TP as set forth in Exhibit 1 attached hereto and incorporated herein by this reference. Further, both said Interim Agreements are amended such that the term of those agreements coincides with the term of this Agreement.
3. Any rate in the expired Agreement that is not expressly replaced by the rates set forth in Exhibit 1 and as described in paragraphs 1 and 2 above shall remain in full force and effect in accordance with the terms of the Expired Agreement.
4. The Parties agree that all of the other provisions of the Expired Agreement, dated July 1, 1998, shall remain in full force and effect, except as stated in the Interim Agreements dated October 20, 2000, and March 20, 2001.
5. The Parties further agree that either or both of the Parties is authorized to submit this Agreement to the applicable PSC or other regulatory body having jurisdiction over the subject matter of this Agreement, for approval subject to Section 252(e) of the federal Telecommunications Act of 1996.
6. Notwithstanding anything herein to the contrary, the parties do not intend to, and nothing herein shall, alter the terms of that certain Confidential Settlement Agreement dated April 18, 2001.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year written below.

BellSouth Telecommunications, Inc.

Florida Digital Network

By: Signature on file

By: Signature on file

Name: C.W. Boltz

Name: Mike Gallagher

Title: Managing Director

Title: CEO

Date: 9-5-01

Date: 8/22/01

BellSouth Telecommunications, Inc.

Account Team
600 North 19th Street
Birmingham, Alabama 35203

and

General Attorney - COU
Suite 4300
675 W. Peachtree St.
Atlanta, GA 30375

Florida Digital Network, Inc.

Michael P. Gallagher
390 North Orange Ave.
Suite
Orlando, Florida 3280

or at such other address as the intended recipient previously shall have designated by written notice to the other Party.

- 21.2 Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails.

- 21.2.1 Notwithstanding the foregoing, BellSouth may provide FDN notice via Internet posting of price changes, changes to the terms and conditions of services available for resale, changes to business processes and policies, notices of new service offerings, and changes to service offerings not requiring an amendment to this Agreement, notices required to be posted to BellSouth's website, and any other information of general applicability to CLECs.

22. **Rule of Construction**

No rule of construction requiring interpretation against the drafting Party hereof shall apply in the interpretation of this Agreement.

23. **Headings of No Force or Effect**

The headings of Articles and Sections of this Agreement are for convenience of reference only, and shall in no way define, modify or restrict the meaning or interpretation of the terms or provisions of this Agreement.

24. **Multiple Counterparts**

UNBUNDLED NETWORK ELEMENTS
Florida

Exhibit

08/25/04 10:48

ELEMENT	UNIT	UNBUNDLED NETWORK ELEMENT	Units	Zone	BOL	WLOC	RATES		OSS RATES		See Order Supplement Sheet per 4.02	See Order Supplement Sheet per 4.02	Incremental Charge - Manual Order vs. Standard Rate	Incremental Charge - Manual Order vs. Standard Rate	Incremental Charge - Manual Order vs. Standard Rate	Incremental Charge - Manual Order vs. Standard Rate	Incremental Charge - Manual Order vs. Standard Rate	Incremental Charge - Manual Order vs. Standard Rate						
							Per	Line	Unit	Rate	Unit	Rate	Unit	Rate	Unit	Rate	Unit	Rate						
The "Zone" shown in the sections for stand-alone items or items as part of a combination refers to Geographically Designated LINE Zones. To view Geographically Designated LINE Zone Designations by Central Office, refer to Internet Website: http://www.flar.net																								
UNBUNDLED EXCHANGE ACCESS LOOP																								
3-WIRE ANALOG VOICE GRADE LOOP																								
		3-Wire Analog Voice Grade Loop - Service Level 1 - Zone 1	1	UEANL	UEAL2		\$11.74	\$44.88	\$20.57	\$23.10	\$5.82		\$10.73				\$1.85							
		2	UEANL	UEAL2		\$18.38	\$44.88	\$20.57	\$23.10	\$5.82		\$10.73					\$1.85							
		3	UEANL	UEAL2		\$30.75	\$44.88	\$20.57	\$23.10	\$5.82		\$10.73					\$1.85							
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		6	UEANL	UEAL2		\$52.86	\$44.88	\$20.57	\$23.10	\$5.82		\$10.73					\$1.85							
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		73	UEANL	UEAL2		\$																		

**AMENDMENT
TO THE
AGREEMENT BETWEEN
FLORIDA DIGITAL NETWORK, INC.
AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED SEPTEMBER 5, 2001**

Pursuant to this Amendment, (the "Amendment"), Florida Digital Network, Inc. ("FDN"), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated September 5, 2001 ("Agreement").

WHEREAS, BellSouth and FDN entered into the Agreement on September 5, 2001, and;

WHEREAS, BellSouth and FDN have entered into good faith negotiations pursuant to the Act to renegotiate an interconnection agreement ("New Interconnection Agreement") to replace the existing interconnection agreement between the Parties, which expired on June 2, 2000 ("Expired Interconnection Agreement"); and,

WHEREAS, BellSouth and FDN desire to extend the termination date of this Agreement; and,

WHEREAS, BellSouth and FDN desire to add Expedite charges and Cross Connect rates to this Agreement;

WHEREAS, until such time as the Parties execute the New Interconnection Agreement, BellSouth and FDN shall continue to operate under the rates, terms and conditions of the Expired Interconnection Agreements; and

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. Section 1 Term of Agreement of the General Terms and Conditions of the Interconnection Agreement is deleted in its entirety and replaced with the following Section 1 Term of Agreement below:
 1. Term of the Agreement
 - 1.1 The term of this Agreement shall be from September 5, 2001 to February 4, 2003 or until the Parties execute the New Interconnection Agreement, whichever is sooner and shall apply to the state of Florida. Notwithstanding any prior agreement of the Parties, the rates, terms and conditions of this Agreement shall not be applied retroactively prior to the Effective Date.
 - 1.2 The Parties agree that by no earlier than two hundred seventy (270) days and no later than one hundred and eighty (180) days prior to the expiration of this Agreement, they shall commence negotiations for a new agreement to be effective beginning on the expiration date of this Agreement ("Subsequent Agreement"). If as of the expiration of this Agreement, a Subsequent Agreement has not been executed by the Parties, then except as set forth in Section 1.3.2 below, this Agreement

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**AMENDMENT
TO THE
AGREEMENT BETWEEN
FLORIDA DIGITAL NETWORK, INC.
AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED SEPTEMBER 5, 2001**

Pursuant to this Amendment, (the "Amendment"), Florida Digital Network, Inc. ("FDN"), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated September 5, 2001 ("Agreement").

WHEREAS, BellSouth and FDN entered into the Agreement on September 5, 2001, and;

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. The Interim Agreement entered into between FDN and BellSouth is hereby amended to include a new Section 6 and all its subsections as follows:

6. CLEC to CLEC Conversions for Unbundled Loops

6.1.1 CLEC to CLEC Conversion for Unbundled Loops may be used by FDN when converting an existing unbundled loop from another CLEC for the same end-user.

6.1.1.1 The loop type being converted must be included in FDN Interconnection Agreement before requesting a conversion. FDN must have an end-user letter of authorization (LOA) on file (it must be available if requested by BellSouth).

6.1.1.2 The loop being converted must be the same loop type with no requested changes to the loop; must be at the same end-user location and the same serving wire center. The loop conversion must not require an outside dispatch.

6.1.1.3 For the conversion process, Order Coordination comes standard on 2 Wire Unbundled Voice Loop-SL2, 4 Wire Unbundled Voice Loop, 2 Wire ADSL Compatible Loop, 2 and 4 Wire HDSL Compatible Loop, 2 Wire Unbundled ISDN Loop, 2 Wire Unbundled Universal Digital Channel Loop, 4 Wire Unbundled Digital/DSO (19.2/56/64 kbps), and 4 Unbundled DS1/ISDN Loop.

6.1.1.4 Order Coordination is available as a chargeable option on Unbundled Voice Loop-SL1, Unbundled Copper Loop-Non Designed, and Unbundled Copper Loop-Designed.

2. Attachment 1, Exhibit A Rates is hereby modified to include the rates for CLEC to CLEC Conversions for Unbundled Loops as set forth in Exhibit 1 attached hereto and incorporated herein by this reference.

UNBUNDLED NETWORK ELEMENTS - Florida															
CATEGORY	RATE ELEMENTS	Inter at	Zone	JCS	USOC	RATES(\$)				Svc Order Subscribed Elec per LSR	Svc Order Subscribed Monthly per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
						Rat	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Discounted First	Nonrecurring Discounted Add'l	OSS RATES (\$)				
											SOMEC	SOMAN	SOMAN	SOMAN	SOMAN
The "Zone" shown in the sections for stand-alone loops or loops as part of a combination refers to Geographically Diverged LSE Zones. To view Geographically Diverged LSE Zone Designations by Central Office, refer to Internet Website: http://www.intelconnection.hallcounty.com/ocwccw_a_elec.html#Intelconnection.htm															
OPERATIONAL SUPPORT SYSTEMS															
NOTE: (1) Electronic Service Order: FDN should contact the contract negotiator if it prefers the state specific electronic service ordering charges as ordered by the State Commission. The electronic service ordering charge currently contained in this rate exhibit is the Ballwin regional electronic service ordering charge. FDN may elect either the state specific Commission ordered rates for the electronic service ordering charges, or FDN may elect the regional electronic service ordering charge.															
NOTE: (2) Any element that can be ordered electronically will be billed according to the SOMEC rate listed in this category. Please refer to Ballwin's Business Rules for Local Ordering (BR-LD) to determine if a product can be ordered electronically. For those elements that cannot be ordered electronically as presented per the BR-LD, the listed SOMEC rate in this category reflects the charge that would be billed to a CLEC upon electronic ordering capabilities come on-line for that element. Otherwise, the manual ordering charge, SOMAN, will be applied to a CLEC bill when it orders via LSE to Ballwin.															
	Standard Service Order Charge, Disconnect Only (FL)				SOMAN			1.50							
	Electronic OSS Charge, per LSR, submitted via SST's OSS Executive Interface (Required)				SOMEC			3.50							
UNBUNDLED DEMANDER ACCESS LOOP															
3-WIRE ANALOG VOICE GRADE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch (UL-BLS)			UEANL	UREWO		48.11	22.01				11.93			
	CLEC to CLEC Conversion Charge without outside dispatch			UEA	UREWO		131.83	36.27				11.93			
3-WIRE 1998 DIGITAL GRADE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDN	UREWO		121.17	33.09				11.93			
3-WIRE Universal Digital Channel (UDC) COMPATIBLE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDC	UREWO		121.17	33.09				11.93			
3-WIRE UNIVERSAL DIGITAL SUBSCRIBER LINE (DSL) COMPATIBLE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDL	UREWO		124.83	28.33				11.93			
3-WIRE 1998 INT WIRE DIGITAL SUBSCRIBER LINE (DSL) COMPATIBLE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDL	UREWO		134.40	28.33				11.93			
4-WIRE 1998 INT WIRE DIGITAL SUBSCRIBER LINE (DSL) COMPATIBLE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDL	UREWO		134.40	28.33				11.93			
4-WIRE DSX DIGITAL LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDL	UREWO		230.25	40.04				11.93			
4-WIRE 44, 56 OR 96 Kbps DIGITAL GRADE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDL	UREWO		131.67	36.38				11.93			
5-WIRE Unshielded COFFER LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDL	UREWO		123.81	31.41				11.93			
	CLEC to CLEC Conversion Charge without outside dispatch (UDL-00)														
	CLEC to CLEC Conversion Charge without outside dispatch (UDL-00)			UDL	UREWO		44.88	22.01				11.93			
4-WIRE COFFER LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDL	UREWO		123.81	31.41				11.93			

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General Terms and Conditions - Part A
Page 1**AGREEMENT**

THIS AGREEMENT is made by and between BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, and Florida Digital Network, Inc. ("FDN"), a Delaware Corporation, and shall be deemed effective as of the date of the last signature of both Parties ("Effective Date"). This Agreement may refer to either BellSouth or FDN or both as a "Party" or "Parties."

WITNESSETH

WHEREAS, BellSouth is an incumbent local exchange telecommunications company ("ILEC") authorized to provide telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

WHEREAS, FDN is a competitive local exchange telecommunications company ("CLEC") authorized to provide telecommunications services in the state of Florida, and

WHEREAS, the Parties wish to resell BellSouth's telecommunications services and/or interconnect their facilities, for FDN to purchase network elements and other services from BellSouth, and to exchange traffic specifically for the purposes of fulfilling their applicable obligations pursuant to sections 251 and 252 of the Telecommunications Act of 1996 ("the Act").

NOW THEREFORE, in consideration of the mutual agreements contained herein, BellSouth and FDN agree as follows:

1. **Purpose**

The resale, access and interconnection obligations contained herein are intended to enable FDN to provide competing telephone exchange service to residential and business subscribers within the territory of BellSouth. The Parties agree that FDN will not be considered to have offered telecommunications services to the public in any state within BellSouth's region until such time as it has ordered services for resale or interconnection facilities for the purposes of providing business and/or residential local exchange service to customers. Furthermore, the Parties agree that execution of this agreement will not preclude either party from advocating its position before the Commission or a court of competent jurisdiction.

BST 8/10/2002

General Terms and Conditions – Part A
Page 18

21. Modification of Agreement

- 21.1 If FDN changes its name or makes changes to its identity due to a merger, acquisition, transfer or any other reason, it is the responsibility of FDN to notify BellSouth of said change and request that an amendment to this Agreement, if necessary, be executed to reflect said change.
- 21.2 No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties.
- 21.3 Execution of this Agreement by either Party does not confirm or infer that the executing Party agrees with any decision(s) issued pursuant to the Telecommunications Act of 1996 and the consequences of those decisions on specific language in this Agreement. Neither Party waives its rights to appeal or otherwise challenge any such decision(s) and each Party reserves all of its rights to pursue any and all legal and/or equitable remedies, including appeals of any such decision(s).
- 21.4 In the event that any effective legislative, regulatory, judicial or other legal action materially affects any material rates, terms, or conditions of this Agreement, or the ability of FDN or BellSouth to perform any material terms of this Agreement, FDN or BellSouth may, on fifteen (15) business days' written notice require that such terms be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event that such new terms are not renegotiated within forty-five (45) business days after such notice, the Dispute may be referred to the Dispute Resolution procedure set forth in Section 15.

22. Waivers

A failure or delay of either Party to enforce any of the provisions hereof, to exercise any option which is herein provided, or to require performance of any of the provisions hereof shall in no way be construed to be a waiver of such provisions or options, and each Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

23. Governing Law

Where applicable, this Agreement shall be governed by and construed in accordance with federal and applicable state substantive telecommunications law, including regulations of the FCC and appropriate Commissions. In all other respects, this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the state of Florida.

BSI 6/10/2002

General Terms and Conditions -- Part A
Page 19

24. Arm's Length Negotiations

This Agreement was executed after arm's length negotiations between the undersigned Parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all Parties.

25. Notices

25.1 Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered in person or given by postage prepaid mail, addressed to:

BellSouth Telecommunications, Inc.

BellSouth Local Contract Manager
8th Floor
600 North 19th Street
Birmingham, Alabama 35203

and

ICS Attorney -
Suite 4300
675 W. Peachtree St.
Atlanta, GA 30375

Florida Digital Network, Inc.

Michael P. Gallagher
390 North Orange Ave.
Suite 2000
Orlando, Florida 32801-1640

or at such other address as the intended recipient previously shall have designated by written notice to the other Party.

25.2 Where specifically required, notices shall be by certified or registered mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails.

25.3 BellSouth shall provide FDN notice via Internet posting of price changes and of changes to the terms and conditions of services available for resale.

B&T 6/10/2002

Attachment 2
Page 3

ACCESS TO NETWORK ELEMENTS AND OTHER SERVICES

1 Introduction

- 1.1 This Attachment sets forth rates, terms and conditions for Network Elements and combinations of Network Elements that BellSouth agrees to offer to FDN in accordance with its obligations under Section 251(c)(3) of the Act. Additionally, this Attachment sets forth the rates, terms and conditions for other services BellSouth makes available to FDN. The price for each Network Element and combination of Network Elements and other services are set forth in Exhibit B of this Agreement. Additionally, the provision of a particular Network Element or service may require FDN to purchase other Network Elements or services.
- 1.2 For purposes of this Agreement, "Network Element" is defined to mean a facility or equipment FDN used in the provision of a telecommunications service. For purposes of this Agreement, combinations of Network Elements shall be referred to as "Combinations."
- 1.3 Except upon request by FDN, BellSouth shall not separate requested network elements that BellSouth currently combines.
- 1.3 BellSouth shall, upon request of FDN, and to the extent technically feasible, provide to FDN access to its Network Elements for the provision of FDN's telecommunications services. If no rate is identified in this Agreement, the rate for the specific service or function will be as set forth in the applicable BellSouth tariff or as negotiated by the Parties upon request by either Party.
- 1.4 FDN may purchase Network Elements and other services from BellSouth for the purpose of combining such network elements in any manner FDN chooses to provide telecommunication services to its intended users, including recreating existing BellSouth services. With the exception of UNE-P and the sub-loop Network Elements which are located outside of the central office, BellSouth shall deliver the Network Elements purchased by FDN to the demarcation point associated with FDN's collocation arrangement.
- 1.5 BellSouth shall comply with the requirements as set forth in the technical references within this Attachment 2.
- 1.6 FDN may not purchase unbundled network elements (UNEs) or convert special access circuits to UNEs if such network elements will be used to provide wireless telecommunications services.
- 1.7 Rates
- 1.7.1 The prices that FDN shall pay to BellSouth for Network Elements and Other Services are set forth in Exhibit B to this Attachment. If FDN purchases a

Attachment 2
Page 4

service(s) from a tariff, all terms and conditions and rates as set forth in such tariff shall apply.

- 1.7.2 Rates, terms and conditions for order cancellation charges and Service Date Advancement Charges will apply in accordance with Attachment 6 and are incorporated herein by this reference.
- 1.7.3 If FDN modifies an order after being sent a Firm Order Confirmation (FOC) from BellSouth, any costs incurred by BellSouth to accommodate the modification will be paid by FDN in accordance with FCC No. 1 Tariff, Section 5, Order Modification Charge (OMC).
- 1.7.4 A one-month minimum billing period shall apply to all UNE conversions or new installations.
- 1.7.5 Standards for Network Elements
- BellSouth shall comply with the requirements set forth in the technical references, as well as any performance or other requirements identified in this Attachment. If one or more of the requirements set forth in this Agreement are in conflict, the parties shall mutually agree on which requirement shall apply. If the parties cannot reach agreement, the dispute resolution process set forth in Section 12 of the General Terms and Conditions of this Agreement, incorporated herein by this reference, shall apply.
- 2 Unbundled Loops
- 2.1 General
- 2.1.1 The local loop Network Element ("Loop") is defined as a transmission facility between a distribution frame (or its equivalent) in BellSouth's central office and the loop demarcation point at an end-user customer premises, including inside wire owned by BellSouth. The local loop Network Element includes all features, functions, and capabilities of the transmission facilities, including dark fiber and attached electronics (except those used for the provision of advanced services, such as Digital Subscriber Line Access Multiplexers) and line conditioning. The loop shall include the use of all test access functionality, including, smart jacks, for both voice and data. FDN may access such test access functionality through its collocation space and/or the end users' side of the point of demarcation. FDN shall be entitled to order all loops set forth in Exhibit B of this Attachment. Unless otherwise requested and negotiated, all loops will be provisioned with the appropriate Network Interface Device (NID).
- 2.1.2 The provisioning of a Loop to FDN's collocation space will require cross-office cabling and cross-connections within the central office to connect the Loop to a local switch or to other transmission equipment. These cross-connects are

Attachment 2
Page 5

separate components, that are not considered a part of the Loop, and thus, have a separate charge.

- 2.1.3 To the extent available within BellSouth's network at a particular location, BellSouth will offer Loops capable of supporting telecommunications services. If a requested loop type is not available, and cannot be made available through BellSouth's Unbundled Loop Modification process, then FDN can use the Special Construction process to request that BellSouth place facilities in order to meet FDN's loop requirements. Standard Loop intervals shall not apply to the Special Construction process.
- 2.1.4 Where facilities are available, BellSouth will install Loops in compliance with BellSouth's Products and Services Interval Guide available at the website at <http://www.interconnection.bellsouth.com>. For orders of 15 or more Loops, the installation and any applicable Order Coordination as described below will be handled on a project basis, and the intervals will be set by the BellSouth project manager for that order. When Loops require a Service Inquiry (SI) prior to issuing the order to determine if facilities are available, the interval for the SI process is separate from the installation interval.
- 2.1.5 The Loop shall be provided to FDN in accordance with BellSouth's TR73600 Unbundled Local Loop Technical Specification and applicable industry standard technical references.
- 2.1.6 FDN may utilize the unbundled Loops to provide any telecommunications service it wishes, so long as such services are consistent with industry standards and BellSouth's TR73600.
- 2.1.7 BellSouth will only provision, maintain and repair the Loops to the standards that are consistent with the type of Loop ordered. In those cases where FDN has requested that BellSouth modify a Loop so that it no longer meets the technical parameters of the original Loop type (e.g., voice grade, ISDN, ADSL, etc.) the resulting Loop will be maintained as an unbundled copper Loop (UCL), and FDN shall pay the recurring and non-recurring charges for a UCL. For non-service specific loops (e.g. UCL, Loops modified by FDN using the Unbundled Loop Modification (ULM) process), BellSouth will only support that the Loop has copper continuity and balanced tip-and-ring.
- 2.1.8 **Loop Testing/Trouble Reporting**
- 2.1.8.1 FDN will be responsible for testing and isolating troubles on the Loops. FDN must test and isolate trouble to the BellSouth portion of a designed/non-designed unbundled loop (e.g., UCL-SL2, UCL-D, UCL-SL1, UCL-ND, etc.) before reporting repair to the UNE Customer Wholesale Interconnection Network Services (CWINS) Center. At the time of the trouble report, FDN will provide the

Attachment 2

Page 79

- 14.6 The detailed practices and procedures for 911/E911 services are contained in the E911 Local Exchange Carrier Guide For Facility-Based Providers as amended from time to time during the term of this Agreement.
- 15 Operational Support Systems (OSS)**
- 15.1 BellSouth has developed and made available the following electronic interfaces by which FDN may submit LSRs electronically.
- | | |
|------|-----------------------------------|
| LENS | Local Exchange Navigation System |
| EDI | Electronic Data Interchange |
| TAG | Telecommunications Access Gateway |
- 15.2 LSRs submitted by means of one of these electronic interfaces will incur an OSS electronic ordering charge. An individual LSR will be identified for billing purposes by its Purchase Order Number (PON). LSRs submitted by means other than one of these interactive interfaces (mail, fax, courier, etc.) will incur a manual order charge. All OSS charges are specified in Rate Exhibit B of this Attachment 2.
- 15.3 Denial/Restoral OSS Charge
- 15.3.1 In the event FDN provides a list of customers to be denied and restored, rather than an LSR, each location on the list will require a separate PON and, therefore will be billed as one LSR per location.
- 15.4 Cancellation OSS Charge
- 15.4.1 FDN will incur an OSS charge for an accepted LSR that is later canceled.
- 15.4.2 Supplements or clarifications to a previously billed LSR will not incur another OSS charge.
- 15.4.3 Network Elements and Other Services Manual Additive
- 15.4.4 The Commissions in some states have ordered per-element manual additive non-recurring charges (NRC) for Network Elements and Other Services ordered by means other than one of the interactive interfaces. These ordered Network Elements and Other Services manual additive NRCs will apply in these states, rather than the charge per LSR. The per-element charges are listed on the Rate Tables in Exhibit B.

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment 2		Exhibit B	
CATEGORY	RATE ELEMENTS		Initial	Zone	ICS	USOC	RATES(\$)				Spec Order Submittal Elec per LSR	Spec Order Submittal Monthly per LSR	Incremental Charge - Manual vs. Electronic-1st	Incremental Charge - Manual vs. Electronic-Add'l
							Base	Nonmounting	Nonmounting Discount				OSG Rate(\$)	
							First	Add'l	First	Add'l	SOMEK	SOMAN	SOMAN	SOMAN
The "Ann" shown in the sections for stand-alone loops or loops as part of a combination refers to Geographically Divergenced UNE Zones. To View Geographically Divergenced UNE Zone Designations by C.D. refer to Internet Website: http://www.intelnet.flnet.net/announcements_electronicconnection.htm														
OPERATIONAL SUPPORT SYSTEMS														
NOTE: Electronic Service Order: CLEC should contact its contract negotiator if it prefers the state specific electronic service ordering charges as entered by the State Commission. The electronic service ordering charge currently contained in this rate schedule is the BellSouth regional electronic service ordering charge. CLEC may elect either the state specific Commission entered rates for the electronic service ordering charges, or CLEC may elect the regional electronic service ordering charge.														
NOTE: Any element that can be ordered electronically will be billed according to the SOMEK rate listed in this category. Please refer to BellSouth's Business Rules for Local Ordering (BRL-LO) to determine if a product can be ordered electronically. For those elements that cannot be ordered electronically at present per the BRL-LO, the listed SOMEK rate in this category reflects the charge that would be billed to a CLEC once electronic ordering capabilities come on-line for that element. Otherwise, the manual ordering charge, SOMAN, will be applied to a CLEC bill when it submits an LSR to BellSouth.														
	Manual Service Order Charge, per LSR, Disconnect Only (FL)					SOMAN								
	Electronic OGS Charge, per LSR, submitted via BST's DSS Interactive Interface (State Specific OGS Rate)					SOMEK	1.52	20						
LINE SERVICE RATE ADVANCEMENT CHARGE														
NOTE: The Expedite charge will be submitted automatically with BellSouth's FCC No. 1 Tariff, Section 8 as applicable.														
	LINE Expedite Charge per Circuit or Line Assignable USOC, per Day				ALL LINE	SOASP	300.00							
UNBUNDLED BROADBAND ACCESS LOOP														
3-WIRE ANALOG VOICE SERVICE LOOP														
	3-Wire Analog Voice Grade Loop - Service Level 1 - Zone 1	1			UEANL	UEAL2	10.08	48.57	22.83	25.62	8.57		11.90	
	3-Wire Analog Voice Grade Loop - Service Level 1 - Zone 2	2			UEANL	UEAL2	15.20	48.57	22.83	25.62	8.57		11.90	
	3-Wire Analog Voice Grade Loop - Service Level 1 - Zone 3	3			UEANL	UEAL2	28.97	48.57	22.83	25.62	8.57		11.90	
	Loop Testing - Basic 1st Half Hour				UEANL	URET1		48.85					11.90	
	Loop Testing - Basic Additional Half Hour				UEANL	URET2		23.95					11.90	
	CLEC to CLEC Conversion Charge Without Outside Dispatch (UWL-SL1)				UEANL	UREWO	15.78	8.34					11.90	
	Unbundled Voice Loop, Unbundled Non-Design Voice Loop, Billing for BST providing make-up				UEANL	UEANM		13.48						
	Manual Order Coordination for UWL-SL1 (per loop)				UEANL	UEANM		8.00						
	Order Coordination for Specified Conversion Times for UWL-SL1 (per LSR)				UEANL	OCOSL		23.02						
4-WIRE UNBUNDLED COPPER LOOP														
	4-Wire Unbundled Copper Loop - Non-Designed Zone 1	1	1		UEQ	UEQZX	7.80	44.98	20.90	19.95	5.08		11.90	
	4-Wire Unbundled Copper Loop - Non-Designed - Zone 2	1	2		UEQ	UEQZX	10.92	44.98	20.90	19.95	5.08		11.90	
	4-Wire Unbundled Copper Loop - Non-Designed - Zone 3	1	3		UEQ	UEQZX	19.38	44.98	20.90	19.95	5.08		11.90	
	Order Coordination 4-Wire Unbundled Copper Loop - Non-Designed (per loop)				UEQ	UEQMC		8.00						
	Unbundled Copper Loop, Non-Designed Billing for BST providing make-up				UEQ	UEQMU		13.48					11.90	
	Loop Testing - Basic 1st Half Hour				UEQ	URET1		48.85					11.90	
	Loop Testing - Basic Additional Half Hour				UEQ	URET2		23.95					11.90	
	CLEC to CLEC Conversion Charge Without Outside Dispatch (UWL-SL1)				UEQ	UREWO	14.27	7.43					11.90	
UNBUNDLED 35 BROADBAND ACCESS LOOP														
3-WIRE ANALOG VOICE SERVICE LOOP														
	3-Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 1	1			UEPSR	UEPSB	10.08	48.57	22.83	25.62	8.57		11.90	
	3-Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 2	1			UEPSR	UEPSB	10.08	48.57	22.83	25.62	8.57		11.90	
	3-Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 3	2			UEPSR	UEPSB	15.20	48.57	22.83	25.62	8.57		11.90	
	3-Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 4	2			UEPSR	UEPSB	15.20	48.57	22.83	25.62	8.57		11.90	
	3-Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 5	3			UEPSR	UEPSB	28.97	48.57	22.83	25.62	8.57		11.90	
	3-Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 6	3			UEPSR	UEPSB	28.97	48.57	22.83	25.62	8.57		11.90	
LINE Loop Billing for Line Splitting														
	3-Wire Voice Grade Loop (SL1) for Line Splitting - Zone 1	1			UEPLX	UEPLX	12.94	0.102	0.102					
	3-Wire Voice Grade Loop (SL1) for Line Splitting - Zone 2	2			UEPLX	UEPLX	17.28	0.102	0.102					
	3-Wire Voice Grade Loop (SL1) for Line Splitting - Zone 3	3			UEPLX	UEPLX	31.67	0.102	0.102					

JURAT

Deposition of Dr. August H. Ankum

Taken: August 25, 2004

Barbara Perry & Company, Inc.
201 North Palmetto Avenue
Orlando, Florida 32801

Page 5 - 77, inclusive.

Errata attached: Yes no

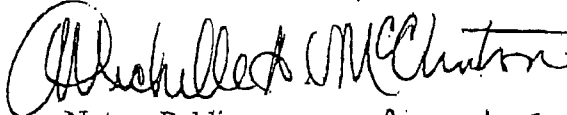


Signature of Deponent

Sworn to and subscribed before me

this 17th day of Sept,

2004 in



Notary Public

My commission expires: March 5, 2008



J U R A T

Deposition of Sharon Warren

Taken: August 25, 2004

Barbara Perry & Company, Inc.
201 North Palmetto Avenue
Orlando, Florida 32801

Page 5 - 32, inclusive.

Errata attached: Yes ☒ no ☐

Sharon R Warren
Signature of Deponent

Sworn to and subscribed before me
this 29th day of September,
2004 in Orange County, Florida.

Notary Public
My Commission Expires:



Cara Gowan
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May 29, 2005
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EXHIBIT NO. 4

DOCKET NO.: 030829-TP

WITNESS: Sharon Warren

PARTY: FDN

DESCRIPTION:

1. August 25, 2004, Deposition Transcript, page 1.

PROFFERING PARTY: STAFF

I.D. # SW-D

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET

NO. 030829-TP EXHIBIT NO. 4
COMPANY/ F.P.S.C. Staff FDN
WITNESS. Sharon Warren Dep. Transcript
DATE 10-06-04

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

Docket No. 030829-TP

Filed: August 23, 2004

In Re:

Complaint of FDN Communications for
Resolution of Certain Billing Disputes
And Enforcement of UNE Orders and
Interconnection Agreements with
BellSouth Telecommunications, Inc.

2004 SEP 17 PM 1:43
DIVISION OF
COMPETITIVE SERVICES

August 25, 2004
2:51 p.m.

The Deposition of Sharon Warren, taken
pursuant to notice on behalf of BellSouth
Telecommunications, Inc., at the Offices of FDN
Communications, 2301 Lucien Way, Suite 200,
Maitland, Florida, before Suzanne G. Patterson,
Registered Professional Reporter and Notary
Public, in and for the State of Florida at Large.

1 APPEARANCES:

2 **LEE FORDHAM, ESQUIRE**

3 (Appearing via telephone)

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15 Representing FDN Communications

16 **MEREDITH E. MAYS, ESQUIRE**

17 (Appearing via telephone)

18 BellSouth Telecommunications, Inc.

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21 Atlanta, Georgia 30375

22 Representing BellSouth
23 Telecommunications, Inc.

24 Also Present:

25 Dr. August H. Ankum

* * *

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S T I P U L A T I O N

It is hereby stipulated and agreed by and between counsel present for the respective parties and the deponent that the reading and signing of the deposition is expressly reserved.

(End of stipulation)

* * *

Reporter's Key to punctuation:

-- at end of question or answer references an interruption.

... References a trail-off by the speaker.
No testimony omitted.

"Uh-huh" References an affirmative sound.

"Unh-unh" References a negative sound.

P R O C E E D I N G S

SHARON WARREN

having been first duly sworn by the reporter,
thereupon testified upon her oath as follows:

DIRECT EXAMINATION

BY MS. MAYS:

Q. Good afternoon, Ms. Warren, my name is Meredith Mays, I'm a lawyer for BellSouth. I'm going to try to keep my questions relatively straightforward here this afternoon, but if I ask you something you don't understand or you need clarification, please, just ask me.

A. Okay.

Q. And I take it your full name is Sharon R. Warren, is that correct?

A. Correct.

Q. Ms. Warren, can you please let me know -- you have filed just a portion of the rebuttal testimony, is that correct?

A. Correct.

Q. When I look at the rebuttal testimony, I see that you have specifically listed your qualifications at Pages 4 through 5, is that right?

A. That's correct.

Q. And then there is some testimony at,

1 beginning at Page 28 for amounts in dispute, and that
2 is Roman numeral V and that begins at Page 28 and goes
3 to Page 30. Would that be your portion of the
4 testimony?

5 A. Yes, that's correct.

6 Q. Is there any other portion of the rebuttal
7 testimony that you are specifically responsible for?

8 A. No.

9 Q. And of that -- of those pages that you are
10 responsible for, do you have any changes or corrections
11 to them that you're aware of?

12 A. No, not at this time.

13 Q. All right. And as I understand your
14 testimony, you started with FDN in 1999, correct?

15 A. Correct.

16 Q. And FDN had already been in operation for
17 some period of time before you began work, is that
18 right?

19 A. Yes, approximately six months.

20 Q. Okay. Now, when you started with FDN, and
21 you describe this as supervising network provisioning
22 and auditing. What exactly is that?

23 A. It's the provisioning of all of the network
24 facilities that were required to put in place our
25 infrastructure, all of the trunk groups involved, the

1 transit trunks, the local trunks to the various tandems
2 and end offices, things of that nature.

3 Q. Did that have anything to do with billing?

4 A. Yes, at the time it was in the same group,
5 and as we ordered the facilities we were also
6 responsible for auditing the invoices and verifying
7 them, you know, for payment.

8 Q. All right. So, would I be correct in
9 understanding you've worked in some fashion on
10 BellSouth invoices or invoices between BellSouth and
11 FDN since the time you began employment?

12 A. Correct.

13 Q. Now, do you personally have anything to do
14 with the contract negotiation process?

15 A. Only to the extent of reviewing the rates and
16 how they will impact our business, you know, as they
17 change. You know, we've done some work on the analysis
18 and in that nature.

19 Q. All right. You don't go to negotiation
20 sessions with attorneys or other managers?

21 A. No.

22 Q. And before you began work with FDN in 1999,
23 can you just give me a general overview of your
24 training and education? I'm sorry, let me withdraw
25 that, I was looking -- I was looking at your telecom

1 experience and, I guess what I really need was really
2 getting a sense of is your chronology in terms of, were
3 you with AMNEX right before FDN?

4 A. No, for nine months I worked for a company
5 called, TCCF, Telephone Company of Central Florida, and
6 they were also a CLEC.

7 Q. And did you graduate from college in Florida?

8 A. No.

9 Q. Okay. What about -- can you give -- briefly
10 describe your educational background for me.

11 A. I graduated from Winter Park High School here
12 in Orlando, Florida and I have some college credits.

13 Q. All right. And in terms of your employment,
14 has that always been in the telecommunications
15 industry?

16 A. No.

17 Q. Other than telecommunications, what have you
18 done?

19 A. I worked for Merrill Lynch and I worked for
20 Connecticut Mutual Insurance Company for a period of
21 time.

22 Q. All right. Now, going back to what you do
23 with FDN, which is what I understand now your job
24 function is a little different, is that correct, in
25 terms of you had a change from network provisioning to

1 vendor disputes?

2 A. Yes. When the auditing of the invoices, when
3 the volume increased to where we had to add additional
4 staff to the auditing team, they decided to move that
5 group into the finance, under the finance organization.
6 So, at that point I moved out of network operations
7 into the finance department.

8 Q. Did your day-to-day job function change?

9 A. It changed in that at that point I was then
10 solely responsible for auditing of the invoices. Still
11 working closely with network operations to validate the
12 charges but working on the auditing of the invoices.

13 Q. Okay.

14 A. Instead of the actual provisioning of the
15 facilities.

16 Q. Okay. Let me take you to your rebuttal
17 testimony at Page 28, please.

18 A. Okay.

19 Q. In looking at those totals, the total at line
20 12, which has to do with the disconnect nonrecurring
21 charges, would I be correct in -- sorry, let me
22 withdraw that and try again.

23 Is the total at Page 28, line 12, does that
24 total remain the same today or has it changed?

25 A. It's changed.

1 Q. Do you have an approximate idea of the amount
2 in dispute today?

3 A. I do.

4 Q. Can you give me that, please?

5 A. That's the disconnect issue. The total
6 outstanding right now on the queue accounts for that
7 issue is 88,616.61.

8 Q. Okay.

9 A. The N accounts total is \$45,351.71.

10 Q. Okay. And the total -- do you have a total?

11 A. Total is 133,968.32.

12 Q. Do you have any feel for, or do you have any
13 approximation of how much accrues in disconnect
14 disputes on a monthly basis?

15 A. I do not.

16 Q. Okay. And those figures are just for the
17 State of Florida, is that correct?

18 A. No, that also includes the Georgia BANS.

19 Q. Oh, it includes the Georgia BANS?

20 A. Correct.

21 Q. Did you -- do you have this number separated
22 out just for the State of Florida?

23 A. I could, I don't have that subtotaed at the
24 moment, no.

25 Q. Have you, in understanding the complaint that

1 FDN has filed, did you understand the complaint to
2 dispute amounts for the states of Florida and Georgia?

3 A. I understood it to include all of the BANS
4 FDN is responsible for.

5 Q. Is that a, yes?

6 A. Yes.

7 Q. In terms of all the BANS FDN is responsible
8 for, are there BANS in both Florida and Georgia?

9 A. Yes.

10 Q. Are there any other states?

11 A. No.

12 Q. Did you have occasion to review -- have you
13 verified whether or not the interconnection agreement
14 or the interconnection agreements at issue in the
15 complaint relate to the state of Georgia as well as
16 Florida?

17 A. No.

18 Q. Going down to Page 28, line 18, is that total
19 the same on that line, the total for the UNE zone
20 changes?

21 A. I believe that total has changed slightly.

22 Q. Can you update that number for me, please?

23 A. Actually, the N account total I have today is
24 \$76,348.56.

25 Q. I'm sorry. Could you repeat that, Ms.

1 Warren, I didn't get that.

2 A. Yeah, the N account total -- the queue
3 account total remains the same.

4 Q. Okay.

5 A. The N account total is \$76,348.56.

6 Q. All right.

7 A. For a total of \$155,648.70.

8 Q. And looking at that total, does that comprise
9 billing account numbers in just Florida?

10 A. No.

11 Q. It includes Georgia billing account numbers?

12 A. Yes.

13 Q. When you created -- Ms. Warren, I'd like to
14 turn to the exhibit, dispute analysis spreadsheets, and
15 I'm looking simply at the first one that were attached
16 to your rebuttal, did you have multiple pages of
17 spreadsheets?

18 A. I don't have those attached to mine. I
19 believe there were two pages.

20 Q. Okay. Well, I only have one page, so this
21 may keep it -- do you have both pages with you?

22 A. Yes.

23 Q. All right. So if I were to go look -- I'm
24 looking at the very top, it says, BellSouth Port-back
25 slash Zone Issue Analysis, prepared 6-4-2004, prepared

1 by S. Warren. Is that --

2 A. Yes, I have that.

3 Q. You have that. At the left column I have,
4 B-A-N, and then a series of numbers, and if I go down
5 to -- there is a number about -- more than halfway
6 down that starts, 4-0-4, and then it has MPower and it
7 continues. Do you see that?

8 A. Under the N accounts?

9 Q. Yes, it's under an N account.

10 A. Yes.

11 Q. Would that 4-0-4 relate to Georgia?

12 A. Yes.

13 Q. All right. Are there any other area codes
14 here that -- well, I guess the 7-7-0 going up to the
15 queue accounts, that would relate to Georgia?

16 A. Yes.

17 Q. Okay. Now, the company name -- well, let me
18 go back here. On the column account there are four
19 queue accounts that are 5-6-1 and they have 0-2 in
20 parentheses and 0-3 in parentheses behind them. Do you
21 see those?

22 A. Yes.

23 Q. What does the 0-2 and 0-3 stand for?

24 A. That accounts database, the information is
25 split up between 2002 and 2003, so in compiling the

1 data, I made reference to the two separate, you know,
2 databases.

3 Q. Okay. And then the company name, I take it
4 -- fairly self-explanatory, FDN is now -- has merged
5 with MPower or acquired MPower, I believe, is that
6 correct?

7 A. We acquired their assets in Georgia and
8 Florida.

9 Q. Now, when you include the MPower, did you
10 perform some analysis to include MPower billing post --
11 postacquisition?

12 A. Correct. It was from the point that we
13 assumed responsibility for the billing.

14 Q. Okay. And then if you go over to the column,
15 USOC, can you tell me at all -- on all of the USOCs
16 there is a hyphen and then a capital letter P after it.
17 Do you see that?

18 A. Correct.

19 Q. What does the P stand for?

20 A. That is how we uniquely identify these
21 disputes in our database, because we have other
22 disputes relating to the same USOC, this was how we
23 identified these relating to the port-back issue.

24 Q. So the P stands for port-back?

25 A. Correct.

1 Q. And then we have an original dispute column
2 and a column entitled, Winnable. Can you explain to me
3 what the Winnable stands for?

4 A. The Winnable and expenses just simply how we
5 have accounted for the numbers here in our -- in our
6 databases.

7 Q. So what does, Winnable, mean?

8 A. Winnable basically means we feel like the
9 dispute is valid and that this is the amount that we
10 should be credited.

11 Q. And so does the expense amount mean the
12 opposite?

13 A. The expense amount means that there could
14 possibly be more liability on those numbers.

15 Q. Is that an amount that FDN has paid to
16 BellSouth?

17 A. No.

18 Q. So it's an amount you estimate there may be
19 liability but it is not paid to BellSouth?

20 A. Correct.

21 Q. Credits, I take it are credits that you have
22 received from BellSouth?

23 A. Yes.

24 Q. Outstanding disputes, what is that? Is that
25 -- is that taking the original dispute, subtracting the

1 credits and then having outstanding, is that how you'd
2 arrive at those figures?

3 A. Yes.

4 Q. So there's no -- Winnable and expense has
5 nothing to do with outstanding disputes?

6 A. No.

7 Q. And there's another Winnable column, and if I
8 compare the Winnable column closer to the far
9 right-hand side to the one in the middle, the amounts
10 are different.

11 A. Correct.

12 Q. Why is that?

13 A. That is the breakout of the outstanding
14 dispute amount.

15 Q. So that Winnable column takes outstanding
16 disputes and subtracts expense and results in Winnable?

17 A. Correct.

18 Q. And then expense stays the same, if I'm
19 reading this correctly, is that right?

20 A. It wouldn't always necessarily stay the same
21 but it's basically a breakout of the outstanding
22 dispute amount.

23 Q. Okay. Wait a second, I'm trying to compare.
24 So, for example, if I go to a queue account number
25 that's the first 9-0-4 on the far left-hand side, and I

1 look at the expense column in the middle, and then I
2 compare that to the expense column on the far
3 right-hand side, the amounts are different, correct?

4 A. Correct.

5 Q. And the difference is what?

6 A. The outstanding dispute amount is different
7 than the original dispute amount. So out of the
8 balance remaining of -- if you're looking at the
9 23,359, we're breaking that up into Winnable and
10 expensed.

11 Q. Okay. How do you make the determination as
12 to when something is Winnable and when something is
13 expense?

14 A. It's sometimes based on really the basis of
15 the dispute. Is it a rate that's being applied
16 incorrectly, do we feel the charge is invalid, you
17 know, there are different parameters to determine if
18 the dispute is Winnable or expensed. Again, that is
19 just how we enter the numbers in our system.

20 Q. And are these all related to the same issue?

21 A. This top portion here, this portion here
22 relates to the port-back issue only, these dollars.
23 And so if you'll see, if you look at the original
24 dispute amount on the queue accounts, we had a total of
25 \$176,536.06, we received credit in the amount of

1 \$78,893.22, leaving a balance of \$97,642.84.

2 Q. Right.

3 A. So at that moment in June, whenever I
4 prepared this, that's what the numbers looked like at
5 that time.

6 Q. And then continuing and looking at that,
7 those next two columns, if you take just the 97,000, it
8 appears that of that 97,000, you are booking 66,000 as
9 an expense, is that correct?

10 A. Correct.

11 Q. When you make the -- when you look at the
12 various factors for determining if something is
13 Winnable, can you explain to me how the contract
14 language factors into that, if it does?

15 MR. KASSMAN: I'm sorry. I'm going to
16 object. Ms. Warren is not an attorney, she is not
17 familiar with the interconnection agreement.

18 BY MS. MAYS:

19 Q. Well, let me ask a different question then.
20 Ms. Warren, have you read any of the interconnection
21 agreements between BellSouth and FDN?

22 A. I have read portions of them, I am familiar
23 with the rate, the attachments where the rates are
24 outlined.

25 Q. And let's talk specifically then -- do you

1 have your responses, your supplemental responses to
2 BellSouth's first interrogatories? There's a few of
3 them in which your name -- you provided answers. Do
4 you have those?

5 A. Give us just a moment. All right. I believe
6 I have that.

7 Q. Okay. If I'm looking at your response to
8 number 3, it lists specific disconnect nonrecurring
9 charges and it provides a USOC and a dollar figure. Do
10 you see that?

11 A. Yes.

12 Q. So you would agree, wouldn't you, that the
13 rate of \$63.53 is, in fact, in the current
14 interconnection agreement between BellSouth and FDN?

15 A. Yes.

16 Q. And the rate of \$25.62 is also in the
17 interconnection agreement?

18 A. Yes.

19 Q. And the rate of \$5.74 is also in the
20 agreement?

21 A. Yes.

22 Q. Now, did you, in preparing the attachment to
23 your testimony that we've discussed, did you make any
24 -- did you look at any rates that were in effect
25 between the parties prior to the current agreement?

1 A. When I prepared my dispute analysis?

2 Q. Yes.

3 A. That would be whatever rate we were billed.

4 Q. Well, maybe I'm just not understanding, so
5 let me try this again. BellSouth and FDN have entered
6 into a contract in 1998, and that contract was subject
7 to a series of interim, and stand-alone, and
8 amendments, and I guess it evolved, and the rates also
9 evolved. Would you agree with that?

10 A. Yes.

11 Q. When you prepared your dispute analysis, were
12 the total disputes based upon different rates depending
13 on when FDN got the bill?

14 A. That is correct.

15 Q. So I should not read -- I should not
16 interpret your answer to the interrogatory as saying,
17 FDN doesn't dispute charges that were billed prior to
18 the current contract?

19 A. I'm sorry? State that again.

20 Q. Sure. When I read -- when I read your
21 response to this interrogatory, it looked to me as
22 though you were disputing charges under the current
23 agreement only.

24 A. That is incorrect.

25 Q. All right. Do you know with respect to

1 interconnection agreements that predate the current
2 agreement, do you know the specific nonrecurring
3 charges and the rates at issue?

4 A. I do not have them in front of me.

5 Q. Would they be the same USOCs?

6 A. Yes.

7 Q. Okay. If you could turn, please, to the
8 second page of your supplemental interrogatory
9 responses. The total UNE zone charges there are
10 different from your rebuttal testimony at Page 28,
11 they're also different from the amounts you just gave
12 me earlier in the deposition, and I guess my question
13 to you is, what number do I need to use for the total
14 UNE zone change that is in dispute between the
15 companies?

16 A. I would use the figure that I indicated
17 earlier, the 79,314 on the queue, the 76,348.56 on the
18 N.

19 Q. And would you, in looking at your
20 interrogatory response, we are in agreement -- well, it
21 states that the UNE zone changes relate to a specific
22 point in time, is that correct?

23 A. Correct.

24 Q. And so my question to you is, if they relate
25 to a specific point in time, how was it that the

1 amounts for the UNE zone changes vary slightly?

2 A. I would have to say, as is the same with Ms.
3 Clark's testimony, there were probably a few disputes
4 that were not identified specifically as zone disputes,
5 so when we went back and recalculated the latest
6 analysis, those were identified and, in turn, picked
7 up.

8 Q. Now, when we're talking about the UNE zone
9 dispute, my understanding of FDN's complaint was that
10 we were -- the dispute related to a UNE zone situation
11 in Florida. If I understand your deposition testimony,
12 Georgia billing account numbers have been included, is
13 that correct?

14 A. That's correct.

15 Q. Can you explain to me why Georgia zones are
16 at issue when the interrogatory relates to a specific
17 point in time in Florida?

18 A. When we reviewed the MPower accounts, there
19 were zone changes happening on those accounts as well,
20 and it was -- and it is our understanding that the
21 zones that are in effect when we established the
22 interconnection agreement are the zones that are to
23 remain in effect until we adopt a new interconnection
24 agreement, so given that, the auditors would dispute
25 zone changes on the MPower BANS.

1 Q. What is your understanding based on, in terms
2 of what you just said about the UNE zones? Why do you
3 understand they're in effect until the parties amend
4 the contract?

5 A. Inside Counsel basically told us that that is
6 in effect, based on the 120-day order the zone changes
7 are not, you know, are not effective.

8 Q. And if it's based on the 120-day order, I
9 guess I'm still a little bit confused about the
10 inclusion of Georgia billing account numbers.

11 A. It's the premise, basically, we have been --
12 our guidelines are that the zones that are in place
13 when we adopt an interconnection agreement are the
14 zones that are to remain in effect until a new
15 agreement is established.

16 Q. Ms. Warren, did you happen to have -- be able
17 to listen to any of Ms. Clark's testimony, deposition
18 testimony?

19 A. Partially.

20 Q. Would you agree that regardless of the
21 outcome of this dispute, that the parties need to have
22 a cooperative reconciliation effort?

23 A. Yes.

24 Q. And is FDN willing to participate in such an
25 effort at the outcome of this dispute?

1 A. Yes.

2 Q. If you give me one minute here, I want to
3 check my notes.

4 All right. Ms. Warren, just one area I just
5 want to make sure I'm understanding. We talked on your
6 spreadsheet about the Winnable column in the middle and
7 the expense column in the middle and then the same
8 columns at the end. And if, I guess I'm a little bit
9 confused because the USOC is the same at various
10 places, I'm not understanding if it's the same USOC and
11 it's a port-back dispute every time, why there's a
12 separation between Winnable and expense?

13 A. Again, that relates to our finance procedures
14 and how the numbers are entered into our financials, it
15 does not relate in any way to, you know, the
16 outstanding dispute amount. I mean, the outstanding
17 dispute amount is what it is.

18 Q. So your financials provide some type of
19 guideline that has an outstanding dispute separated in
20 some fashion?

21 A. No.

22 Q. What do the financials state or provide that
23 would cause you to separate the amount?

24 A. When we dispute a charge, every charge that
25 we dispute has to be booked either as Winnable or

1 expensed.

2 Q. Why?

3 A. Because that's our procedure.

4 Q. So if I -- let me make sure I understand.

5 You have a dispute that you lodge and because you have
6 a dispute, FDN does not pay the disputed amount, is
7 that correct?

8 A. There are some disputes that we do pay and
9 then dispute, yes. These, we did not do that.

10 Q. All right. That raises a different question,
11 which is, how -- why you would pay some disputes and
12 not pay other disputes?

13 A. It's based on the individual dispute and the
14 reason why we are disputing it. If we are disputing
15 something for clarification, some of those disputes we
16 do pay and then submit the dispute requesting
17 clarification, you know, of information.

18 Q. Does the payment of a dispute when you're
19 requesting clarification, is that something where FDN
20 believes it should pay it and simply needs some
21 additional information for accounting? I mean, would
22 that distinguish it between something where you
23 apparently take the position you don't have to pay it
24 at all?

25 A. If we pay for something and then dispute it,

1 it is just for clarification of additional information.
2 An example, our maintenance charges.

3 Q. You would pay maintenance and you would
4 simply want to know who the customer was or what was
5 maintained or something to that effect?

6 A. Correct.

7 Q. Now, going back to the disputes you do not
8 pay and your financial guidelines that you've talked
9 about, on the outstanding disputes between BellSouth
10 and FDN, those amounts have not been paid to BellSouth,
11 is that correct?

12 A. Correct.

13 Q. And because they have not been paid, you need
14 to make some sort of -- your guidelines are to account
15 for them in some type of way, and I take it the
16 guidelines, the Winnable and expense is how you've
17 accounted for them on FDN's books?

18 A. Correct.

19 Q. Correct?

20 A. Correct.

21 Q. And when a dispute is reflected as
22 Winnable -- I'm sorry -- when a dispute is reflected as
23 an expense, is that a liability then that FDN is
24 accounting for as a liability it will ultimately have
25 to pay?

1 A. No.

2 Q. What is it -- what does the expense mean?

3 A. It is booked as a liability but that does not
4 mean that we, in any way, feel like we will ultimately
5 have to pay.

6 Q. You book it as a liability for accounting
7 purposes and you allow the dispute process to work
8 itself out?

9 A. Correct.

10 MS. MAYS: That's it from us.

11 MR. KASSMAN: Does Staff have any follow up?

12 MR. FORDHAM: Probably only one question, but
13 let me ask Ms. Warren if she has access to Ms.
14 Clark's supplemental direct testimony?

15 THE WITNESS: Yes, I do.

16 CROSS-EXAMINATION

17 BY MR. FORDHAM:

18 Q. If you could, please, look on Page 3 and scan
19 briefly lines 20 through 25 and let me know when you've
20 done that, please.

21 A. Okay. I've reviewed it.

22 Q. Can you tell us, please, Ms. Warren, why FDN
23 provided open dispute data relating to its queue
24 accounts and has not provided any dispute data relating
25 to its N accounts?

1 A. Part of the issue with that is, during this
2 time we have had ongoing discussions with BellSouth to
3 complete reconciliations of the outstanding disputes on
4 these accounts. When the queue account data was
5 provided, it was not requested by BellSouth in relation
6 to this complaint. We sent the files in relation to
7 discussions that we had with the escalation dispute
8 group to send them databases of all of our outstanding
9 disputes so they could then begin reviewing them and
10 doing a reconciliation. That's why, I believe, Ms.
11 Clark mentioned that the files contained all different
12 kinds of disputes.

13 And the N account data, again, we have been
14 working diligently with the people on the N account
15 dispute side of the house with BellSouth, working
16 through reconciliations. So they have all of that
17 data, they, you know, they have all of that data loaded
18 and can go back at any time and pull that data.

19 MR. FORDHAM: Okay. Thank you, Ms. Warren.

20 Staff doesn't have any other questions.

21 MR. KASSMAN: I've got three follow-up
22 questions for Ms. Warren.

23 CROSS-EXAMINATION

24 BY MR. KASSMAN:

25 Q. Ms. Warren, do you recall your conversation

1 with opposing counsel a few minutes ago regarding the
2 USOCs and rates listed in the interconnection
3 agreement?

4 A. Yes.

5 Q. And in FDN's supplemental interrogatory
6 responses, those rates and USOCs are listed in response
7 to BellSouth's question there, number 3?

8 A. Correct.

9 Q. Can you read that question for me, please.

10 A. Describe with particularity the types of
11 disconnect nonrecurring charges that FDN disputes.
12 Your description should include a description of the
13 particular types of orders that FDN disputes.

14 Q. Now, you've stated that you're not an
15 attorney and that you're primarily familiar with the
16 rate tables of the interconnection agreement, is that
17 correct?

18 A. Correct.

19 Q. Do you have some understanding of the
20 application of those rates that you discussed with
21 opposing counsel that we provided in the response to
22 the question that you just read?

23 A. The application on the actual invoice as we
24 get billed?

25 Q. No, I'm sorry, let me clarify. What I mean

1 by application is the application of those rates, i.e.,
2 when those rates apply. Do you have some understanding
3 of that?

4 A. Yes.

5 Q. Okay. So is it your understanding that the
6 rates listed there in FDN's supplemental interrogatory
7 responses apply in the situations where FDN -- or,
8 excuse me -- where BellSouth wins back a customer from
9 FDN and charges FDN those disconnect rates?

10 A. They are applied, yes, to FDN.

11 Q. The question is, should they apply to FDN
12 based on your understanding of the interconnection
13 agreement, as limited as it may be?

14 A. No, they should not.

15 Q. All right. Let's get back to your discussion
16 with opposing Counsel of the spreadsheet that FDN
17 provided along with its rebuttal testimony, I believe.
18 Do you have that spreadsheet in front of you?

19 A. This would be the June analysis, dispute
20 analysis?

21 Q. Correct. Correct. And if you recall your
22 discussion with opposing counsel regarding the Winnable
23 versus expensed column. Do you recall that?

24 A. Yes.

25 Q. Okay. So let's take the expensed column, for

1 instance, so is it your testimony today that we should
2 not infer anything with regard to that column, any --
3 we should not infer that FDN owes anything to BellSouth
4 with regard to --

5 A. That's correct.

6 Q. -- the charges in that column?

7 A. That is correct.

8 Q. Okay. Let's get back to the issue of the
9 credits that have been issued on the queue accounts.

10 MS. MAYS: Hey, Scott, I'm going to object,
11 'cause you said you only had three questions.
12 But, anyway, I'm sorry, just -- just -- to let
13 that in.

14 MR. KASSMAN: This is the last question, I'm
15 sorry.

16 BY MR. KASSMAN:

17 Q. Getting back to the issue of the credits on
18 the queue accounts, did you have opportunity to have
19 any conversations with BellSouth representatives over
20 the course of the three years or so that FDN has been
21 disputing these charges?

22 A. Yes.

23 Q. Can you tell us a little bit about those
24 conversations, please?

25 MS. MAYS: I'm going to object to the extent

1 it calls for hearsay.

2 BY MR. KASSMAN:

3 Q. Is it your understanding, Ms. Warren, that --
4 I withdraw the question.

5 Okay. You stated, Ms. Warren, that FDN has
6 been issued approximately \$78,000 in credits on these
7 queue accounts, is that correct?

8 A. That is correct.

9 Q. Did you hear Ms. Clark's testimony earlier
10 where she described the queue account credits as
11 sporadic?

12 A. Yes.

13 Q. Would you characterize \$78,000 in credits as
14 sporadic?

15 A. No.

16 MR. KASSMAN: Thank you. That's all I have.

17 MS. MAYS: Okay. Well, we would like a copy.

18 (The deposition concluded at 3:29 p.m.)
19
20
21
22
23

24

25

J U R A T

Deposition of Sharon Warren

Taken: August 25, 2004

Barbara Perry & Company, Inc.
201 North Palmetto Avenue
Orlando, Florida 32801

Page 5 - 32, inclusive.

Errata attached: Yes _____ no _____

Signature of Deponent

Sworn to and subscribed before me
this _____ day of _____,
2004 in _____.

Notary Public
My Commission Expires:

C E R T I F I C A T E

STATE OF FLORIDA:
COUNTY OF SEMINOLE:

I, Suzanne G. Patterson, do hereby certify that I placed under oath the deponent, Sharon Warren, at the time and place herein designated.

Witness my hand and official seal this 12th day of September, 2004.



Suzanne G. Patterson
My Commission DD294924
Expires March 30, 2008

Suzanne G. Patterson
Suzanne G. Patterson
Registered Professional Reporter
Notary Public,
State of Florida at Large.

I, Suzanne G. Patterson, Registered Professional Reporter, certify that I was authorized to and did stenographically report the foregoing proceedings at the time and place herein designated; and that the foregoing pages 5 through 32, inclusive, constitute a true, complete and accurate transcription of my said stenotype notes.

I further certify that I am not of counsel for, related to, or employed by any party hereto or attorney involved herein, nor am I financially interested in the outcome of this action.

Witness my hand and official seal this 12th day of September, 2004.



Suzanne G. Patterson
My Commission DD294924
Expires March 30, 2008

Suzanne G. Patterson
Suzanne G. Patterson
Registered Professional Reporter
Notary Public,
State of Florida at Large.

EXHIBIT NO. 5

DOCKET NO.: 030829-TP

WITNESS: BellSouth

PARTY: BellSouth

DESCRIPTION:

1. BellSouth's Responses to FDN's 1st Set of Interrogatories (Nos.1-3) – Page 1
2. BellSouth's Responses to FDN's 1st Request for PODs (Nos. 1-3) – Page 9
3. BellSouth's Supplemental Responses to FDN's 1st Request for PODs (No.1) – Page 14
4. BellSouth's Responses/Objections to FDN's 2nd Set of Interrogatories (Nos. 4-14) – Page 20

PROFFERING PARTY: STAFF

I.D. # BST-Resp-1

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 030829-TP EXHIBIT NO. 5
COMPANY: F.P.S.C. Staff
WITNESS: BST's Responses to Discovery
DATE: 10-06-04

Meredith Mays
Senior Regulatory Counsel

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(404) 335-0750

November 5, 2003

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

Re: Docket No. 030829-TP (FDN Complaint)

Dear Ms. Bayó:

Today, BellSouth Telecommunications, Inc. filed its Responses to FDN's First Set of Interrogatories (1-3) and First Request for Production of Documents (No.1), dated October 8, 2003.

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,


Meredith Mays

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

503650

Meredith Mays
Senior Regulatory Counsel

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(404) 335-0750

November 5, 2003

Via Electronic and U.S. Mail


Matthew Feil, Esq.
Scott A. Kassman, Esq.
FDN Communications
390 North Orange Avenue
Suite 2000
Orlando, FL 32801

Re: **Docket No. 030829-TP (FDN Complaint)**

Dear Counsel:

Enclosed is BellSouth Telecommunications, Inc. Responses to FDN's First Set of Interrogatories (1-3) and First Request for Production of Documents (No.1), dated October 8, 2003.

Sincerely,



Meredith Mays

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

511677

**CERTIFICATE OF SERVICE
DOCKET NO. 030829-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via
Electronic Mail and U.S. Mail this 5th day of November, 2003 to the following:

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

Matthew Feil, Esq.
Scott A. Kassman, Esq.
FDN Communications
390 North Orange Avenue
Suite 2000
Orlando, FL 32801
Tel. No. (407) 835-0460
Fax. No. (407) 835-0309
mfeil@mail.fdn.com
skassman@mail.fdn.com


Meredith E. Mays

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In Re:

Complaint of FDN Communications for
Resolution of Certain Billing Disputes
And Enforcement of UNE Orders and
Interconnection Agreements with
BellSouth Telecommunications, Inc.

Docket No. 030829-TP

Filed: November 5, 2003

**BELLSOUTH TELECOMMUNICATIONS, INC.'S
RESPONSES TO FLORIDA DIGITAL NETWORK, INC.'S
FIRST SET OF INTERROGATORIES (1-3)**

BellSouth Telecommunications, Inc. ("BellSouth"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.340 and 1.280, Florida Rules of Civil Procedure, hereby files the following responses to Florida Digital Network, Inc. d/b/a FDN Communications ("FDN")'s First Set of Interrogatories, dated October 8, 2003.

BellSouth incorporates herein by reference all of its previously filed general and specific objections. Any responses provided by BellSouth in response to this discovery will be provided subject to and without waiving any of BellSouth's previously filed objections.

SPECIFIC RESPONSES

REQUEST: Referring to Paragraph 7(b) of BellSouth's Answer in this proceeding, identify and describe BellSouth's support, as submitted in Docket No. 990649A-TP, for the proposition that "the non-recurring installation charge reflects costs associated with provisioning an unbundled loop to the CLEC's collocation space."

RESPONSE: BellSouth's cost study narrative (Section 6) describes certain elements, including unbundled analog loops. Specifically, the unbundled analog loops are defined as:

"The 2-wire and 4-wire Analog Voice Grade Loop elements represent the physical transmission facilities (or channel or group of channels on such facilities) which extend from the main distributing frame (MDF) connection in the end office to a demarcation point at the customer's premises (i.e., the network interface device or NID). The Service Level 1 (SL1) facility is provided as a nondesigned circuit. The Service Level 2 (SL2) and 4-wire facilities are provided as designed circuits and include a 2-wire or 4-wire test access point."

To provision such loops, it is necessary to provision cross connects from the MDF to a CLEC's collocation space.

BellSouth's cost study includes work times and probabilities provided by Subject Matter Experts (SMEs) for both installation activities and disconnect activities associated with the provisioning of unbundled analog loops. Labor rates are applied to these work times and probabilities as part of the development of nonrecurring costs. For a complete discussion of nonrecurring cost methodology, see Section 3 of BellSouth's cost study filed on August 16, 2000 in FPSC Docket No. 990649-TP.

RESPONSE PROVIDED BY:

Daonne Caldwell
Director
675 West Peachtree Street
Atlanta, Georgia 30375

REQUEST: Referring to Paragraph 7(b) of BellSouth's Answer in this proceeding, identify and describe BellSouth's support, as submitted in Docket No. 990649A-TP, for the proposition that "no disconnect activities are contained in the [] installation rates."

RESPONSE: The Florida Public Service Commission recognized that BellSouth submitted unique costs for installation and disconnect. Commission Order PSC-01-1181-FOF-TP, at page 297, in Docket No. 990649-TP dated May 25, 2001 states: "BellSouth's cost studies include work activities and work times for the first installation, and each additional installation, as well as for the first disconnect and each additional disconnect. When we and the parties refer to work activities and times, unless otherwise noted, the reference is to the first installation. Some of the same work categories may not be included in the additional installation or the first and additional disconnect, and the work times may differ."

RESPONSE PROVIDED BY: Daonne Caldwell
Director
675 West Peachtree Street
Atlanta, Georgia 30375

REQUEST: Explain how BellSouth recovers the cost of disconnecting a customer from its network when that customer ports to a CLEC serving it via a UNE loop.

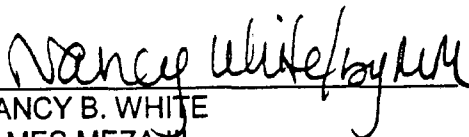
RESPONSE: BellSouth retail customers pay disconnect charges as part of the initial installation charges (A4 section of the GSST). When BellSouth loses that customer to a CLEC, the CLEC becomes BellSouth's "customer" and is responsible for disconnect charges if the CLEC's end-user is subsequently lost. Because the FPSC ordered separate installation and disconnection charges, a CLEC pays for installation only at the time an unbundled loop is provisioned. This differs from a retail customer that pays for both installation and disconnection charges at the time service is initiated.

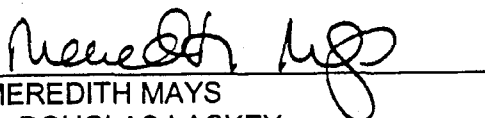
RESPONSE PROVIDED BY:

Daonne Caldwell
Director
675 West Peachtree Street
Atlanta, Georgia 30375

Respectfully submitted this 5th day of November, 2003.

BELLSOUTH TELECOMMUNICATIONS, INC.


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


MEREDITH MAYS
R. DOUGLAS LACKEY
Suite 4300
675 W. Peachtree St., NE
Atlanta, GA 30375
(404) 335-0750

508576

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In Re:)	
)	
Complaint of FDN Communications for	)	Docket No. 030829-TP
Resolution of Certain Billing Disputes)	
And Enforcement of UNE Orders and	)	Filed: November 5, 2003
Interconnection Agreements with)	
BellSouth Telecommunications, Inc.)	
<hr/>		

**BELLSOUTH TELECOMMUNICATIONS, INC.'S
RESPONSES TO FLORIDA DIGITAL NETWORK, INC.'S
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NO. 1)**

BellSouth Telecommunications, Inc. ("BellSouth"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.340 and 1.280, Florida Rules of Civil Procedure, hereby files the following responses to Florida Digital Network, Inc. d/b/a FDN Communications ("FDN")'s First Request for Production of Documents, dated October 8, 2003.

BellSouth incorporates herein by reference all of its previously filed general and specific objections. Any responses provided by BellSouth in response to this discovery will be provided subject to and without waiving any of BellSouth's previously filed objections.

SPECIFIC RESPONSES

BellSouth Telecommunications, Inc.
BellSouth Telecommunications, Inc.
FPSC Docket No. 030829-TP
FDN's 1st Request for Production
October 8, 2003
Item No. 1
Page 1 of 1

REQUEST: Provide all documents referring or relating to BellSouth's response to FDN's first interrogatory.

RESPONSE: BellSouth directs FDN to its cost study filed in Docket No. 990649-TP; specifically, to the Narrative at Section 6.

BellSouth Telecommunications, Inc.
FPSC Docket No. 030829-TP
FDN's 1st Request for Production
October 8, 2003
Item No. 2
Page 1 of 1

REQUEST: Provide all documents referring or relating to BellSouth's response to FDN's second interrogatory.

RESPONSE: BellSouth directs FDN to Commission Order PSC-01-1181-FOF-TP, Docket No. 990649-TP, dated May 25, 2001, page 297 which is available as a matter of public record.

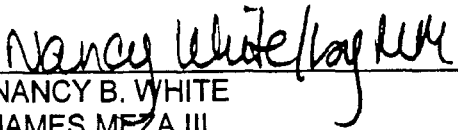
BellSouth Telecommunications, Inc.
FPSC Docket No. 030829-TP
FDN's 1st Request for Production
October 8, 2003
Item No. 3
Page 1 of 1

REQUEST: Provide all documents referring or relating to BellSouth's response to FDN's third interrogatory.

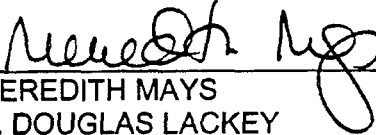
RESPONSE: BellSouth directs FDN to Section A4 of its General Subscriber Services Tariff which is available as a matter of public record at the following website: <http://cpr.bellsouth.com/>

Respectfully submitted this 5th day of November, 2003.

BELLSOUTH TELECOMMUNICATIONS, INC.



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



MEREDITH MAYS
R. DOUGLAS LACKEY
Suite 4300
675 W. Peachtree St., NE
Atlanta, GA 30375
(404) 335-0750

508574

Meredith Mays
Senior Regulatory Counsel

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(404) 335-0750

April 15, 2004

Via Electronic and FedEx

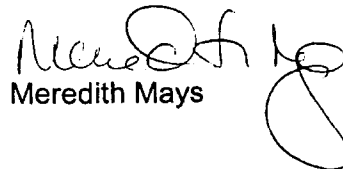
Matthew Feil
Scott Kassman
FDN Communications
2301 Lucien Way
Suite 200
Maitland, FL 32751

Re: **Docket No. 030829-TP (FDN Complaint)**

Dear Counsel:

Enclosed are BellSouth Telecommunications, Inc.'s Supplemental Response to FDN's First Request for Production of Documents, in the above referenced docket.

Sincerely,


Meredith Mays

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

530422

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In Re:)	
)	
Complaint of FDN Communications for	)	Docket No. 030829-TP
Resolution of Certain Billing Disputes)	
And Enforcement of UNE Orders and	)	Filed: April 15, 2004
Interconnection Agreements with)	
BellSouth Telecommunications, Inc.)	
<hr/>		

**BELLSOUTH TELECOMMUNICATIONS, INC.'S
SUPPLEMENTAL RESPONSE TO FLORIDA DIGITAL NETWORK, INC.'S
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NO. 1)**

BellSouth Telecommunications, Inc. ("BellSouth"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.340 and 1.280, Florida Rules of Civil Procedure, hereby files the following supplemental response to Florida Digital Network, Inc. d/b/a FDN Communications ("FDN")'s First Request for Production of Documents, dated October 8, 2003.

BellSouth incorporates herein by reference all of its previously filed general and specific objections. Any responses provided by BellSouth in response to this discovery will be provided subject to and without waiving any of BellSouth's previously filed objections.

SPECIFIC RESPONSES

Meredith Mays
Senior Regulatory Counsel

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(404) 335-0750

April 15, 2004

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

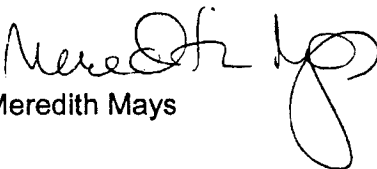
Re: Docket No. 030829-TP (FDN Complaint)

Dear Ms. Bayó:

Today, BellSouth Telecommunications, Inc. served its Supplemental Responses to FDN's First Request for Production of Documents, in the above referenced 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,


Meredith Mays

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

530422

**CERTIFICATE OF SERVICE
DOCKET NO. 030829-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via
Electronic Mail, Hand Delivery* and/or Fedex this 15th day of April, 2004 to the
following:

Lee Fordham
Staff Counsel
Florida Public Service Commission
Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
Tel. No.: 850 413-6199
cfordham@psc.state.fl.us
jschindl@psc.state.fl.us

Matthew Feil (+)
Scott Kassman(+)
FDN Communications
2301 Lucien Way
Suite 200
Maitland, FL 32751
Tel. No. 407 835-0460
Fax No. 407 835-0309
mfeil@mail.fdn.com
skassman@mail.fdn.com


Meredith E. Mays

(+) signed Protective Agreement
(*) Hand Delivery

REQUEST: Provide all documents referring or relating to BellSouth's response to FDN's first interrogatory.

RESPONSE: BellSouth directs FDN to its cost study filed in Docket No. 990649-TP; specifically, to the Narrative at Section 6.


SUPPLEMENTAL RESPONSE: BellSouth has enclosed public disclosure versions of the following CDs entitled:

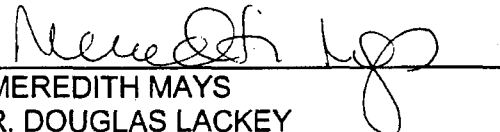
Docket No. 990649-TP BellSouth's revised cost study filing, August 16, 2000

Docket No. 990649A-TP BellSouth's compliance filing – revision 3, UNE cost studies, January 28, 2002.

Respectfully submitted this 15th day of April, 2004.

BELLSOUTH TELECOMMUNICATIONS, INC.


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


MEREDITH MAYS
R. DOUGLAS LACKEY
Suite 4300
675 W. Peachtree St., NE
Atlanta, GA 30375
(404) 335-0750

535332

Meredith Mays
Senior Regulatory Counsel

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(404) 335-0750

May 7, 2004

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

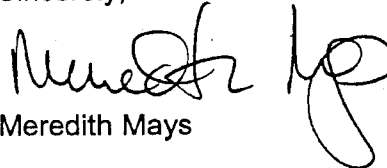
Re: Docket No. 030829-TP (FDN Complaint)

Dear Ms. Bayó:

Today, BellSouth Telecommunications, Inc. served its Objections to FDN's Second Set of Interrogatories (Nos. 4-14) and Third Request for Production of Documents (No. 5), in the above referenced 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,


Meredith Mays

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

537446

Meredith Mays
Senior Regulatory Counsel

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(404) 335-0750

May 7, 2004

Via Electronic and FedEx

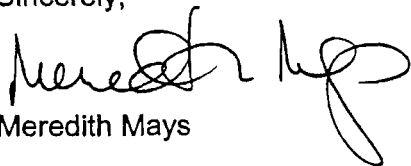
Matthew Feil
Scott Kassman
FDN Communications
2301 Lucien Way
Suite 200
Maitland, FL 32751

Re: Docket No. 030829-TP (FDN Complaint)

Dear Counsel:

Enclosed is BellSouth Telecommunications, Inc.'s Objections to FDN's Second Set of Interrogatories (Nos. 4-14) and Third Request for Production of Documents (No. 5), in the above referenced docket.

Sincerely,


Meredith Mays

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

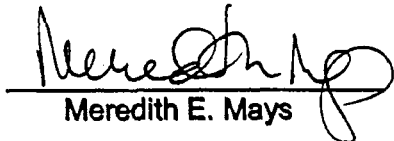
537446

**CERTIFICATE OF SERVICE
DOCKET NO. 030829-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via
Electronic Mail, Hand Delivery* and/or Fedex this 7th day of May, 2004 to the following:

Lee Fordham*
Staff Counsel
Florida Public Service Commission
Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
Tel. No.: 850 413-6199
cfordham@psc.state.fl.us
jschindl@psc.state.fl.us

Matthew Feil (+)
Scott Kassman(+)
FDN Communications
2301 Lucien Way
Suite 200
Maitland, FL 32751
Tel. No. 407 835-0460
Fax No. 407 835-0309
mfeil@mail.fdn.com
skassman@mail.fdn.com


Meredith E. Mays

(+) signed Protective Agreement
(*) Hand Delivery

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In Re:)	
)	
Complaint of FDN Communications for	)	Docket No. 030829-TP
Resolution of Certain Billing Disputes)	
And Enforcement of UNE Orders and	)	Filed: May 7, 2004
Interconnection Agreements with)	
BellSouth Telecommunications, Inc.)	
)	

**BELLSOUTH TELECOMMUNICATIONS, INC.'S GENERAL AND SPECIFIC
OBJECTIONS TO FLORIDA DIGITAL NETWORK, INC.'S SECOND SET OF
INTERROGATORIES (NOS. 4-14) AND THIRD REQUEST FOR PRODUCTION
OF DOCUMENTS (NO. 5)**

BellSouth Telecommunications, Inc. ("BellSouth"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.340 and 1.280, Florida Rules of Civil Procedure, hereby files the following General and Specific Objections to Florida Digital Network's ("FDN") Second Set of Interrogatories (Nos. 4-14) and Third Request for Production (No. 5), (collectively "discovery"), dated April 27, 2004.

The objections stated herein are preliminary in nature. Should additional grounds for objection be discovered as BellSouth prepares its answers to the above-referenced interrogatories and request for production of documents, BellSouth reserves the right to supplement, revise, or modify its objections at the time it serves its responses.

GENERAL OBJECTIONS

1. BellSouth objects to the discovery to the extent it seeks to impose an obligation on BellSouth to respond on behalf of subsidiaries, affiliates, or other persons that are not parties to this case on the grounds that such interrogatories and requests for production are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.

2. BellSouth objects to the discovery to the extent it is intended to apply to matters other than those subject to the jurisdiction of the Commission. BellSouth objects to such discovery as being irrelevant, overly broad, unduly burdensome, and oppressive.

3. BellSouth objects to each and every discovery request and instruction to the extent that such request or instruction calls for information that is exempt from discovery by virtue of the attorney-client privilege, work product privilege, or other applicable privilege.

4. BellSouth objects to each and every discovery request insofar as the interrogatories and requests are vague, ambiguous, overly broad, imprecise, or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these interrogatories. Any answers provided by BellSouth in response to the discovery will be provided subject to, and without waiver of, the foregoing objection.

5. BellSouth objects to each and every discovery request insofar as it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. BellSouth will attempt to note in its responses each instance where this objection applies.

6. BellSouth objects to providing information to the extent that such information is already in the public record before the Commission.

7. BellSouth objects to each and every discovery request insofar as any request is unduly burdensome, oppressive, or excessively time consuming as written.

8. BellSouth is a large corporation with employees located in many different locations in Florida and in other states. In the course of its business, BellSouth creates countless documents that are not subject to Commission or FCC retention of records

requirements. These documents are kept in numerous locations that are frequently moved from site to site as employees change jobs or as the business is reorganized. Therefore, it is possible that not every document has been identified in response to these requests. BellSouth will conduct a search of those files that are reasonably expected to contain the requested information. To the extent that the requests purport to require more, BellSouth objects on the grounds that compliance would impose an undue burden or expense.

9. BellSouth objects to each and every discovery request to the extent that the information requested constitutes "trade secrets" pursuant to Section 90.506, Florida Statutes. To the extent that Staff requests proprietary confidential business information, BellSouth will make such information available in accordance with a protective agreement, subject to any other general or specific objections contained herein.

10. BellSouth objects to any discovery request that seeks to obtain "all" of particular documents, items, or information to the extent that such requests are overly broad and unduly burdensome. Any answers provided by BellSouth in response to this discovery will be provided subject to, and without waiver of, the foregoing objection.

11. BellSouth objects to FDN's discovery requests, instructions and definitions, insofar as they seek to impose obligations on BellSouth that exceed the requirements of the Florida Rules of Civil Procedure or Florida Law. BellSouth will provide the name of the company witness(es) or employee(s) responsible for compiling the information.

12. BellSouth objects to the manner in which certain discovery is requested. BellSouth may not maintain information in the ordinary course of its business in the

particular format requested by FDN. BellSouth objects to providing responsive information in the format requested by the FDN on the grounds that doing so would be overly broad, unduly burdensome, and oppressive.

13. BellSouth objects to FDN's discovery to the extent that it seeks to have BellSouth create documents not in existence at the time of the request.

SPECIFIC OBJECTIONS TO INTERROGATORIES

INTERROGATORY NO. 4:

Referring or relating to instances in which BellSouth wins back a UNE-L (basic voice grade) customer from FDN, please identify and describe in detail:

- (a) all communications between BellSouth and FDN to migrate that customer from FDN's network to BellSouth's network.
- (b) all activities performed by BellSouth technicians to migrate that customer from FDN's network to BellSouth's network.
- (c) all retail charges that BellSouth applies to its retail residential and business customers for initiating basic voice grade service.
- (d) all retail charges through which BellSouth recovers (or partially recovers) the costs it incurs for initiating basic voice grade service to a retail residential and business customer.
- (e) All NRCs that BellSouth applies to FDN in this situation.

OBJECTION:

BellSouth objects to this Interrogatory No. 4, subparts c and d, on the grounds that such subparts are not reasonably calculated to lead to the discovery of admissible evidence and nor relevant to the subject matter of this action.

INTERROGATORY NO. 11:

Referring or relating to instances in which FDN wins a basic voice grade retail customer from BellSouth and opts to serve the customer with a UNE-Loop (provided by BellSouth), please:

- (a) Identify all activities that BellSouth technicians have to perform to disconnect the retail customer.
- (b) Identify all activities that BellSouth technicians have to perform to connect the retail customer to FDN facilities.
- (c) Identify all recurring, non-recurring, or other charges through which BellSouth currently recovers the costs of the connection/installation.
- (d) Identify all recurring, non-recurring, or other charges through which BellSouth currently recovers the costs of the disconnection.
- (e) Discuss how BellSouth's rate application and business rules (governing the application of its tariffed rates) distinguish between the activities required for a disconnect of its own retail customer and the connect activities of a UNE-Loop to FDN facilities.

OBJECTION:

BellSouth objects to this Interrogatory No. 11, subparts c, d and e on the grounds that to the extent such subparts seek information about BellSouth's retail service, the discovery is not reasonably calculated to lead to the discovery of admissible evidence nor relevant to the subject matter of this action.

INTERROGATORY NO. 12:

Do BellSouth's retail recurring and/or non-recurring charges for basic voice grade service recover any costs for disconnecting the retail customer in the event the customer discontinues his/her service with BellSouth? If the answer is no, please discuss how BellSouth does recover these disconnect costs. If the answer is not an unqualified no, please discuss and identify all disconnect costs and activities that are recovered through the recurring and/or non-recurring charges.

OBJECTION:

BellSouth objects to this Interrogatory No. 12 on the grounds that it is not reasonably calculated to lead to the discovery of admissible evidence and it is not relevant to the subject matter of this action.

INTERROGATORY NO. 13:

What is the percentage of retail business customers in Florida eligible for discounted rates as part of or in exchange for a term commitment (e.g., 2002, 2003, 2004 Key Customer promotion) that are currently obligated to BellSouth under such contracts. Please express the percentage using the following formula: Total number of BellSouth retail business customers in Florida that have entered into term commitments with BellSouth in exchange for discounted rates divided by the total number of retail business customers in Florida eligible for discounted rates as part of or in exchange for a term commitment with BellSouth but which have not entered into such commitments. Identify in your response the promotional programs included in your calculation.

OBJECTION:

BellSouth objects to this Interrogatory No. 13 on the grounds that it is not reasonably calculated to lead to the discovery of admissible evidence and it is not relevant to the subject matter of this action.

INTERROGATORY NO. 14:

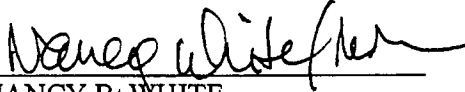
What is the percentage of BellSouth retail business customers in Florida that have entered into term commitments with BellSouth in exchange for discounted rates (e.g., 2002, 2003, 2004 Key Customer promotion). Please express the percentage using the following formula: Total number of BellSouth retail business customers in Florida that have entered into term commitments with BellSouth in exchange for discounted rates divided by the total number of BellSouth retail business customers in Florida. Identify in your response the promotional programs included in your calculation.

OBJECTION:

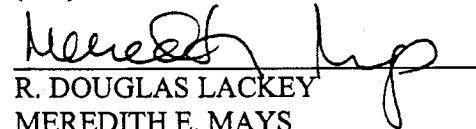
BellSouth objects to this Interrogatory No. 14 on the grounds that it is not reasonably calculated to lead to the discovery of admissible evidence and it is not relevant to the subject matter of this action.

Respectfully submitted this 7th day of May, 2004.

BELLSOUTH TELECOMMUNICATIONS, INC.



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537433

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May 20, 2004

Via Electronic and FedEx

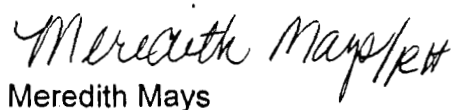
Matthew Feil
Scott Kassman
FDN Communications
2301 Lucien Way
Suite 200
Maitland, FL 32751

Re: **Docket No. 030829-TP (FDN Complaint)**

Dear Counsel:

Enclosed is BellSouth Telecommunications, Inc.'s Response to FDN's Second Set of Interrogatories (Nos. 4-14) and Third Request for Production of Documents (No. 5), in the above referenced docket.

Sincerely,


Meredith Mays

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

538883

**CERTIFICATE OF SERVICE
DOCKET NO. 030829-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail, Hand Delivery* and/or FedEx this 20th day of May, 2004 to the following:

Lee Fordham*
Staff Counsel
Florida Public Service Commission
Gerald L. Gunter Building
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Tallahassee, FL 32399-0850
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Maitland, FL 32751
Tel. No. 407 835-0460
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mfeil@mail.fdn.com
skassman@mail.fdn.com


Meredith E. Mays

(+) signed Protective Agreement
(*) Hand Delivery

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In Re:)	
)	
Complaint of FDN Communications for	)	Docket No. 030829-TP
Resolution of Certain Billing Disputes)	
And Enforcement of UNE Orders and	)	Filed: May 20, 2004
Interconnection Agreements with)	
BellSouth Telecommunications, Inc.)	
)	

**BELLSOUTH TELECOMMUNICATIONS, INC.'S
RESPONSE TO FLORIDA DIGITAL NETWORK, INC.'S
SECOND SET OF INTERROGATORIES (NOS. 4-14) AND THIRD REQUEST
FOR PRODUCTION OF DOCUMENTS (NO. 5)**

BellSouth Telecommunications, Inc. ("BellSouth"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.340 and 1.280, Florida Rules of Civil Procedure, hereby files the following responses to Florida Digital Network, Inc. d/b/a FDN Communications ("FDN")'s Second Set of Interrogatories (Nos. 4-14) and Third Request for Production of Documents (No. 5), dated April 27, 2004.

BellSouth incorporates herein by reference all of its previously filed general and specific objections. Any responses provided by BellSouth in response to this discovery will be provided subject to and without waiving any of BellSouth's previously filed objections.

SPECIFIC RESPONSES

REQUEST: Referring or relating to instances in which BellSouth wins back a UNE-L (basic voice grade) customer from FDN, please identify and describe in detail:

- (a) all communications between BellSouth and FDN to migrate that customer from FDN's network to BellSouth's network.
- (b) all activities performed by BellSouth technicians to migrate that customer from FDN's network to BellSouth's network.
- (c) all retail charges that BellSouth applies to its retail residential and business customers for initiating basic voice grade service.
- (d) all retail charges through which BellSouth recovers (or partially recovers) the costs it incurs for initiating basic voice grade service to a retail residential and business customer.
- (e) All NRCs that BellSouth applies to FDN in this situation.

RESPONSE: BellSouth objected to subparts c and d of this Interrogatory No. 4 on the grounds that such subparts are not reasonably calculated to lead to the discovery of admissible evidence and nor relevant to the subject matter of this action.

- (a) Members of one of the following groups -- the Consumer Service Local Number Portability (LNP) team, the Small Business regional porting administration center, or the Migration Center for BellSouth Business Service -- sends FDN a request for the CLEC customer's service records per applicable methods and procedures.

RESPONSE: (Cont.)

After receiving the customer record information from FDN, BellSouth's End User Migration Center (EUMC) emails or faxes to FDN a request for a firm order confirmation (FOC). Thereafter, telephone calls occur on an as needed basis concerning: escalations, invalid clarifications, FOC status, updates on backlog of orders pending FOC, and specific circuits. BellSouth also directs FDN to the documents produced in response to Request for Production No. 5.

(b) See the attached summary. BellSouth also directs FDN to the documents produced in response to Request for Production No. 5.

(e) See the chart below.

Non-Recurring Charge (NRC)	2-Wire Analog Voice Grade SL1	2-Wire Analog Voice Grade SL2
NRC Disconnect – First	\$25.62	\$63.53
NRC Disconnect – Additional	6.57	12.01
Cross Connect – Disconnect – First	5.74	5.74
Cross Connect – Disconnect – Additional	4.58	4.58

RESPONSE PROVIDED BY:

Traci Tidmore
Roberta B. Talley
Dan Stinson
Patrick Dooher

Central Office Provisioning Procedures

- If service is ordered as new:
 - Orders are received and printed
 - On or before the due date cross-connect jumpers are wired in as new connections to the assignments provided on the order.
 - Work steps are completed in the tracking systems.
- If service is ordered as "reuse" (to reuse the facilities assigned to the UNE-Loop):
 - Orders are received and printed
 - Jumpers are wired in to the new assignments.
 - If jumpers are wired before the due date:
 - the jumper will be "tied-in" from the new dial tone assignments but not connected to the facility assignment appearance
 - on the due date the connections going to the UNE-Loop will be removed
 - on the due date the connections will be completed to the new assignments provided on the order.
 - If wired on the due date:
 - the jumper(s) is run from the new assignments to the facility assignment appearance
 - the connections to the UNE-Loop will be removed
 - the connections will be completed to the new assignments provided on the order.
 - Work steps are completed in tracking systems.

Field Technician Provisioning Procedures

- Review the service order, including the access remarks section of the order, which may have contact information or other information relevant for access.
- Perform appropriate field work
- Contact Recent Change Memory Administration Group (RCMAG) to release order in MARCH (a computer system that translates line-related service order date into switch provisioning messages and automatically transmits the messages to Stored Program Control switchers)
- Contact Central Office (CO) Frame to make cross connects per the order
- Verify BellSouth dial tone using BellSouth Automatic Number Announcement (ANAC) code
- Complete order in TechNet
- Notify Work Management Center (WMC) if order Missed Appointment (MA) or Pending Facilities (PF) to prevent customer from losing dial tone
- On every dispatch the Technician should tag the BellSouth lines at the demarcation

NOTE: RCMAG or CO Frame will assist the Technician if there are problems with the dial tone. It is not necessary to call the End-User Migration Center (EUMC or Trapper) to port telephone numbers (TNs). The porting of numbers is an automated process that is initiated when the Technician completes the order in TechNet. The port will not be activated until the order is completed in TechNet and BellSouth's Service Order Communication Systems (SOCS).

REQUEST: Referring or relating to instances in which a UNE-L based CLEC (using BellSouth's UNE loops) wins a UNE-L (basic voice grade) customer from FDN, please identify and describe in detail:

- (a) all communications between BellSouth and FDN to migrate that customer from FDN's network to BellSouth's network.
- (b) all activities performed by BellSouth technicians to migrate that customer (and loops) from FDN's network to the other CLEC's network.
- (c) all NRCs that BellSouth applies to the other CLEC in this situation.
- (d) all NRCs that BellSouth applies to FDN in this situation.

RESPONSE: (a) Communications include:

I. Line Loss Notification

The Line Loss Notification report is a daily report of completed disconnects (D orders), partial disconnect activity, or conversion (C orders) for CLECs. This report provides notification to CLECs when they have lost an entire account or a portion of an account. It is updated daily, except on Sunday, with accounts that have completed the ordering process. The Line Loss Notification report posts to the CLEC's individual Internet web page and contains only those accounts that carry the CLEC's Reseller Sharer (RESH) or Alternate Exchange Carrier Name (AECN). Service orders that reach completion status by 5:30 pm will post on the next day's line loss report. Orders that reach completion status after 5:30 pm will be posted on the 2nd day after the order completes. Information captured on this report remains for 7 calendar days. FDN's UNE-L (basic voice grade) activity will appear on this report.

RESPONSE: (Cont.)

The Line Loss Notification report is available via the Performance Measurement and Analysis Platform (PMAP) website: <http://pmap.bellsouth.com>

II. CLEC Service Order Tracking System (CSOTS)

CSOTS provides CLEC service order information from the BellSouth Service Order Communication System (SOCS) for CLEC service orders via a Web interface. The tracking system is designed to provide the CLEC community with the following capabilities:

- Viewing service orders
- Determining order statuses
- Tracking service orders

A SOCS service order generated on FDN's UNE-L (basic voice grade) will be viewable in CSOTS.

CLEC Service Order Tracking System (CSOTS) guide is located on the Interconnection website:
<http://interconnection.bellsouth.com>

- (b) BellSouth technicians perform disconnect activities that include, but are not limited to, removing the loop circuit from FDN's collocation arrangement. BellSouth directs FDN to the cost studies previously provided in this docket and filed in Docket No. 990649-TP, which include the specific activities associated with disconnect functions for the specific Loop type that is being disconnected.

For the acquiring CLEC, BellSouth will perform activities associated with provisioning a loop facility from the acquiring CLEC's collocation arrangement to the end-user. BellSouth directs FDN to the cost studies previously provided in this docket and filed in Docket No. 990649-TP, which include the specific provisioning activities for the specific loop type that is being provisioned.

An overview of the central office provisioning activities follows. To the extent that technicians perform work outside of the central office, BellSouth directs FDN to Network SSI&M/I&M Methods and Procedures for Provisioning Unbundled Network Elements – Unbundled Voice Loops, paragraph 7.9, which is being provided in response to FDN's Request for Production No. 5.

Central Office Provisioning Procedures:

- If service is ordered as new:
 - Orders are received and printed
 - On or before the due date cross-connect jumpers are wired in as new connections to the assignments provided on the order.
 - Work steps are completed in the tracking systems.
- If service is ordered as "reuse" (to reuse the facilities assigned to the UNE-Loop):
 - Orders are received and printed
 - Jumpers are wired in to the new assignments.
 - If jumpers are wired before the due date:
 - the jumper will be "tied-in" from the new dial tone assignments but not connected to the facility assignment appearance
 - on the due date the connections going to the UNE-Loop will be removed
 - on the due date the connections will be completed to the new assignments provided on the order.
 - If wired on the due date:
 - the jumper(s) is run from the new assignments to the facility assignment appearance
 - the connections to the UNE-Loop will be removed
 - the connections will be completed to the new assignments provided on the order.
 - Work steps are completed in tracking systems.

RESPONSE: (Cont.)

- (c) The chart below provides the Florida PSC-approved non-recurring charges (NRCs) that may be charged to a CLEC that wins a UNE-L (basic voice grade) customer from FDN. The actual charges will depend on the negotiated rates in the individual CLEC's approved interconnection agreement. The winning CLEC may choose to either submit a new order or submit a CLEC to CLEC (C2C) Conversion of Unbundled Loop order. Not all of the charges listed are applied on the same order. For instance, a winning CLEC will either be charged the New Install Installation charge **OR** the CLEC-to-CLEC Conversion Charge. Also, the winning CLEC will only be charged for either SOMAN **OR** SOMECH, not both.

Non-Recurring Charge (NRC)	2-Wire Analog Voice Grade SL1	2-Wire Analog Voice Grade SL2
New Install Installation	\$49.57	\$135.75
CLEC-to-CLEC Conversion Charge w/o outside Dispatch	15.78	87.71
SOMAN-Manual Svc Order	11.90	11.90
SOMECH-Electronic Svc Order	1.52	1.52
Cross Connect – Loop provisioning – First*	8.22	8.22
Cross Connect – Loop provisioning – Additional*	7.22	7.22

* Note: The cross connect rates were approved in Docket No. 001797-TP.

RESPONSE: (Cont.)

(d) See the chart below.

Non-Recurring Charge (NRC)	2-Wire Analog Voice Grade SL1	2-Wire Analog Voice Grade SL2
NRC Disconnect – First	\$25.62	\$63.53
NRC Disconnect – Additional	6.57	12.01
SOMAN-Manual Svc Order*	1.83	1.83
SOMECElectronic Svc Order*	0.20	0.20
Cross Connect – Disconnect – First	5.74	5.74
Cross Connect – Disconnect – Additional	4.58	4.58

*Note: SOMAN or SOMECE is only applied if FDN submits the LSR
for the disconnect order.

RESPONSE PROVIDED BY: Vanessa Thomas
Dan Stinson
Jerry Latham
Keith Futrell
Pat Doohar

REQUEST: Referring or relating to instances in which a UNE-P based CLEC (using BellSouth's UNE loops) wins a UNE-L (basic voice grade) customer from FDN, please identify and describe in detail:

- (a) all communications between BellSouth and FDN to migrate that customer from FDN's network to BellSouth's network.
- (b) all activities performed by BellSouth technicians to migrate that customer from FDN's network to the other CLEC's network.
- (c) all NRCs that BellSouth applies to the other CLEC in this situation.
- (d) all NRCs that BellSouth applies to FDN in this situation.

RESPONSE: (a) Communications include the following:

I. Local Carrier Service Center (LCSC)

- a) The LCSC creates a manual Local Number Portability (LNP) Local Service Request (LSR) and faxes or emails the LSR to FDN, with the requested number of line(s), telephone number(s), LNP circuit number(s), service order number(s) for circuits that will be disconnected, and the requested due date on the service order(s).
- b) FDN responds to the LSR by sending BellSouth a clarification or a Firm Order Confirmation (FOC).
- c) When FDN sends a clarification, BellSouth may request a Customer Service Record (CSR) from FDN to be used to correct the LSR and in response to the clarification.

RESPONSE: (Cont.)

- d) BellSouth creates a Subscription Version (SV) and sends it to the Number Portability Administration Center (NPAC) for concurrence from FDN.
- e) FDN responds in the NPAC with concurrence.
- f) If FDN fails to respond to the LNP LSR, BellSouth escalates to FDN.

II. BellSouth also directs FDN to The "BellSouth Local Ordering Handbook" for CLECs, located on the BellSouth Interconnection website:
<http://www.interconnection.bellsouth.com/guides/html/leo.html>, which describes the CLEC ordering process for migrating UNE-L to a UNE-P.

III. CLEC Service Order Tracking System (CSOTS)

CSOTS provides CLEC service order information from the BellSouth Service Order Communication System (SOCS) for CLEC service orders via a Web interface. The tracking system is designed to provide the CLEC community with the following capabilities:

- Viewing service orders
- Determining order statuses
- Tracking service orders

The SOCS service order generated on FDN's UNE-L (basic voice grade) will be viewable in CSOTS.

BellSouth also directs FDN to the CLEC Service Order Tracking System (CSOTS) guide, which is located at the Interconnection website:
<http://interconnection.bellsouth.com>.

RESPONSE: (Cont.)

IV. Line Loss Notification

The Line Loss Notification report is a daily report of completed disconnects (D orders), partial disconnect activity, or conversion (C orders) for CLECs. This report provides notification to CLECs when they have lost an entire account or a portion of an account. It is updated daily, except on Sunday, with accounts that have completed the ordering process. The Line Loss Notification report posts to the CLEC's individual Internet web page and contains only those accounts that carry the CLEC's RESH or AECN. Service orders that reach completion status by 5:30 pm will post on the next day's line loss report. Orders that reach completion status after 5:30 pm will be posted on the 2nd day after the order completes. Information captured on this report remains for 7 calendar days. FDN's UNE-L (basic voice grade) activity will appear on this report.

The Line Loss Notification report is available via the Performance Measurement and Analysis Platform, (PMAP) website: <http://pmap.bellsouth.com>

- (b) BellSouth technicians will perform disconnect activities that include, but are not limited to, removing the loop circuit from FDN's collocation arrangement. The specific activities associated with disconnect functions can be found in the latest cost studies filed with the Florida Public Service Commission for the specific loop type that is being disconnected. In addition, an overview of the activities follows:

Customer Wholesale Interconnection Network Services (CWINS), Central Office and Installation groups all have technicians that provide migration activities.

RESPONSE: (Cont.)

Within the CWINS:

- Upon receipt of the LCSC request to identify a circuit ID, the CWINS will review prior service order activity and other records to identify the circuit identification for the UNE Loop most likely to be associated with the telephone number being ported
- The CWINS will return the search results to the LCSC
- Upon receipt of the LCSC notification that service orders have been issued, the CWINS will verify the UNE-P service order content and will verify that systems are ready for due date activity
- On the due date, CWINS will ensure service order completion
- CWINS will verify Telephone number ported

Within the Central Office:

- If service is ordered as new:
 - Orders are received and printed
 - On or before the due date, cross-connect jumpers are wired as new connections to the assignments provided on the order
 - Work steps are completed in the tracking systems
- If service is ordered as "reuse" to reuse the facilities assigned to the UNE-Loop:
 - Orders are received and printed
 - Jumpers are wired to the new UNE-P assignments.
 - If wired before due date:
 - Jumper will be "tied-in" from the new dial tone assignments but not connected to the facility assignment appearance.
 - On the due date, the connections going to the UNE-Loop will be removed
 - On the due date, connections will be completed to the new assignments provided on the order
 - If wired on due date:
 - The jumper(s) is run from new assignments to the facility assignment appearance.
 - The connections to the UNE-Loop will be removed
 - Connections will be completed to the new assignments provided on the order
 - Work steps are completed in tracking systems

RESPONSE: (Cont.)

Within the Installation Group

- When service is ordered as new
 - On the due date the new service is installed to an end-user's Network Interface Device (NID), which provides connectivity for the non-regulated "inside wiring".
 - Work Steps are completed within the tracking systems
- (c) See the chart below. The chart provides the Florida-PSC approved non-recurring charges (NRCs) that BellSouth charges a UNE-P based CLEC (using BellSouth's UNE loops) when it wins a UNE-L (basic voice grade) customer from FDN. Typically, the UNE-P CLEC orders an SL1 loop. Not all of the charges listed are applied on the same order. For instance, the winning CLEC will only be charged for either SOMAN OR SOMEK, not both.

Non-Recurring Charge (NRC)	2-Wire Analog Voice Grade SL1
Loop/Port Combo	\$53.31
SOMAN-Manual Svc Order	11.90
SOMEK-Electronic Svc Order	1.52

RESPONSE: (Cont.)

(d) See the chart below.

Non-Recurring Charge (NRC)	2-Wire Analog Voice Grade SL1	2-Wire Analog Voice Grade SL2
NRC Disconnect – First	\$25.62	\$63.53
NRC Disconnect – Additional	6.57	12.01
Cross Connect – Disconnect – First	5.74	5.74
Cross Connect – Disconnect – Additional	4.58	4.58

RESPONSE PROVIDED BY: Vanessa Thomas
Jerry Latham
Glen Miller
Dan Stinson
Keith Futrell
Pat Doohar

REQUEST: Referring or relating to BellSouth's cost study labeled, "Nonrecurring Cost Development First/Add'l TELRIC, Florida, A.1.1-2Wire Analog Voice Grade Loop – Service Level 1," embedded in the BellSouth Calculator 2.4 model, please provide:

- (a) a detailed description of each of the functions listed under the column heading "Function JCF/Payband description, Connect & Test."
- (b) a detailed description of each of the functions listed under the column heading "Function JCF/Payband description, Engineering."
- (c) a detailed description of each of the functions listed under the column heading "Function JCF/Payband description, Travel."

RESPONSE: (a) The functions for an A.1.1 or 2W Analog Voice Grade SL1 loop listed under Connect & Test include work activities of four work groups: Unbundled Network Element Center (UNEC) (now known as Customer Wholesale Interconnection Network Services [CWINS]), Installation & Maintenance (I&M), Work Management Center (WMC), and Central Office (CO). Their specific work activities and any associated probabilities are both listed and described in the Connect & Test worksheet in the FL-2w.xls file of BellSouth cost study filing in FPSC Docket No. 990649-TP.

(b) The functions for an A.1.1 or 2W Analog Voice Grade SL1 loop listed under Engineering include work activities of three work groups: Service Advocacy Center (SAC), Address & Facility Inventory Group (AFIG), and Plug-In Control System (PICS). The activities of these work groups assume a mechanized environment that only requires manual intervention a portion of the time. Their specific work activities and probabilities are both listed and described in the Engineering worksheet in the FL-2w.xls file of BellSouth cost study filing in FPSC Docket No. 990649-TP.

RESPONSE: (Continued)

- (c) The function for an A.1.1 or 2W Analog Voice Grade SL1 loop listed under Travel includes work activities of the Installation & Maintenance work group. Their specific work activities and probabilities are both listed and described in the Travel worksheet in the FL-2w.xls file of BellSouth cost study filing in FPSC Docket No. 990649-TP.

RESPONSE PROVIDED BY:

Daonne Caldwell

REQUEST: Referring or relating to BellSouth's cost study labeled,
"Nonrecurring Cost Development TELRIC, Florida, N.1.1.-
Electronic Service Order – per local service request," embedded in
the BellSouth Calculator 2.4 model:

- (a) discuss whether the costs identified in this cost study reflects and are relevant to the costs that BellSouth incurs in migrating customers from FDN's network in a winback situation (in which BellSouth wins a UNE-L based customer back from FDN)? Include in your response a discussion of how the costs and activities/functions identified in this study relate to the activities BellSouth performs in migrating (UNE-L based) customers from FDN's network.
- (b) provide a detailed description of each of the functions listed under the column heading "Function JCF/Payband description, Service Ordering Processing." Explain how these functions relate to the situation described under subpart (a) of this interrogatory.
- (c) provide a detailed description of each of the functions listed under the column heading "Function JCF/Payband description, Customer Point of Contact." Explain how these functions relate to the situation described under subpart (a) of this interrogatory.
- (d) identify and discuss in detail all BellSouth personnel under the categories "Service Ordering Processing" and "Customer Point of Contact" that are involved in winback situations (in which BellSouth wins a UNE-L based customer back from FDN). Identify and discuss specifically which tasks identified in the cost study relate to winback situations and the estimated Disconnect Worktimes in the study for those activities.

- RESPONSE: (a) Cost Element N.1.1 (Electronic Service Order) is not applicable in the migration situation described, consequently this request is not relevant.
- (b) See above response to Item No. 8(a).
- (c) See above response to Item No. 8(a).
- (d) See above response to Item No. 8(a).

RESPONSE PROVIDED BY: Daonne Caldwell

REQUEST: Referring or relating to BellSouth's cost study labeled, "Nonrecurring Cost Development TELRIC, Florida, N.1.1.- Electronic Service Order - per local service request," embedded in the BellSouth Calculator 2.4 model:

- (a) discuss whether the costs identified in this cost study reflects and are relevant to the costs that BellSouth incurs in migrating customers from FDN's network when another CLEC wins a UNE-L based customer from FDN? Include in your response a discussion of how the costs and activities/functions identified in this study relate to the activities BellSouth performs in migrating (UNE-L based) customers from FDN's network.
- (b) provide a detailed description of each of the functions listed under the column heading "Function JCF/Payband description, Service Ordering Processing." Explain how these functions relate to the situation described under subpart (a) of this interrogatory.
- (c) provide a detailed description of each of the functions listed under the column heading "Function JCF/Payband description, Customer Point of Contact." Explain how these functions relate to the situation described under subpart (a) of this interrogatory.
- (d) identify and discuss in detail all BellSouth personnel under the categories "Service Ordering Processing" and "Customer Point of Contact" that are involved when another CLEC wins a UNE-L based customer from FDN. Identify and discuss specifically which tasks identified in the cost study relate to winback situations and the estimated Disconnect Worktimes in the study for those activities.

- RESPONSE: (a) Cost Elements N.1.1 (Electronic Service Order) and N.1.2 (Manual Service Order) include work times for installation and disconnect activities based on an average or typical CLEC local service request. Pursuant to FPSC Order No. 98-0604-FOF-TP, which established rates for N.1.1 and N.1.2, the disconnect rate associated with UNEs is billed at the time of the disconnect. This service order rate is appropriate when FDN submits an order for a disconnect.
- (b) The referenced column headings and descriptions appear in the cost study as follows:

Function	JFC/Payband	Description
Service Order Processing	230x	Customer Point of Contact – ICSC/LCSC

The function being performed in the cost study is "Service Order Processing". The Job Function Code (JFC) of the work group performing the service order processing function is "230X". The JFC provides the information necessary for the BellSouth Cost Calculator to apply the correct labor rate for the work group in developing the labor costs associated with this function. The description of the work group performing the function is "Customer Point of Contact – ICSC/LCSC", or more specifically, this is a Service Representative in the Local Carrier Service Center (LCSC).

Under Cost Element N.1.1, the Service Representative would be restoring a disconnect service order submitted electronically that had fallen out during the mechanized processing. The estimated work time to perform this function was 0.011 hours.

- (c) See the response to Interrogatory Item No. 9(b).
- (d) See the response to Interrogatory Item No. 9(b).

RESPONSE PROVIDED BY:

Daonne Caldwell

REQUEST: Referring or relating to the cost principles that BellSouth used in developing its non-recurring cost studies in Docket 990649A-TP:

- (a) did BellSouth base its cost studies on the cost causation principle?
- (b) discuss BellSouth's understanding of the cost causation principle and provide identify [sic] all documents that BellSouth believes are relevant with respect to that principal.
- (c) explain whether or not the application of cost-based prices should reflect the cost causation principle?

RESPONSE: (a) Yes.

- (b) Cost causation is a key concept in incremental costing methodology. Thus, incremental costs should reflect costs that are caused by an activity, in the long run, if the costs are brought into existence as a direct result of the activity and are avoided if the activity is eliminated. In the most current UNE cost docket in Florida, BellSouth's understanding of this principle is contained in the direct testimony of Daonne Caldwell filed May 1, 2000 in Docket No. 990649A-TP, as follows:

Volume sensitive and volume insensitive costs are considered - these are the costs that will be avoided by discontinuing, or incurred by offering, an entire product or service, holding all other products or services offered by the firm constant. A corollary to this directive is the principle of cost causation, i.e., the costs included in the study are those that are caused because BellSouth offers an unbundled element or a combination of network elements.

RESPONSE: (Continued)

- (c) The costs which support the cost-based prices should reflect cost-causation.

RESPONSE PROVIDED BY: Daonne Caldwell

REQUEST: Referring or relating to instances in which FDN wins a basic voice grade retail customer from BellSouth and opts to serve the customer with a UNE-Loop (provided by BellSouth), please:

- (a) Identify all activities that BellSouth technicians have to perform to disconnect the retail customer.
- (b) Identify all activities that BellSouth technicians have to perform to connect the retail customer to FDN facilities.
- (c) Identify all recurring, non-recurring, or other charges through which BellSouth currently recovers the costs of the connection/installation.
- (d) Identify all recurring, non-recurring, or other charges through which BellSouth currently recovers the costs of the disconnection.
- (e) Discuss how BellSouth's rate application and business rules (governing the application of its tariffed rates) distinguish between the activities required for a disconnect of its own retail customer and the connect activities of a UNE-Loop to FDN facilities.

RESPONSE: BellSouth objected to subparts c, d and e of this Interrogatory on relevance grounds.

- (a) See attached. BellSouth also directs FDN to the documents produced in response to Request for Production No. 5.
- (b) See attached. BellSouth also directs FDN to the documents produced in response to Request for Production No. 5.

RESPONSE PROVIDED BY: Dan Stinson
Pat Doohar
Keith Futrell

Central Office Provisioning Procedures:

Subpart (a):

To disconnect the retail customer, the CO technician removes wiring between the BellSouth switch port and the BellSouth outside plant facility.

Subpart (b):

Central Office Provisioning Procedures

- If service is ordered as new:
 - Orders are received
 - On or before the due date cross-connect jumpers are wired in as new connections to the assignments provided on the order.
 - Work steps are completed in the tracking systems.
- If service is ordered as "reuse" to reuse the facilities assigned to the BellSouth retail circuit:
 - Orders are received
 - Jumpers are wired in to the new assignments.
 - If wired before the due date:
 - Jumper will be "tied-in" from the CLEC meet point assignments but not connected to the facility assignment appearance.
 - On the due date, the connections going to the BellSouth retail circuit will be removed.
 - On the due date, connections will be completed to the new assignments provided on the order.
 - If wired on due date:
 - The jumper(s) is run from CLEC meet point assignments to the facility assignment appearance.
 - The connections to the BellSouth retail circuit will be removed.
 - Connections will be completed to the new assignments provided on the order.
 - Work steps are completed in tracking systems.

Field Technician activities:

Subpart (b):

Work Steps for SL1 Loop Conversions – Non-Coordinated / Integrated
Subscriber Loop Carrier (ISLC) Conversions:

1. Service Technician (ST) goes to the cut point and verifies facilities and checks for CLEC dial tone.
Note – ST cannot proceed with conversion until dial tone is established on all cut to pairs because these orders cannot be split.
2. If dial tone is present, ST completes the conversion.
3. Tag the loop at the Network Interface Device-point of demarcation (NID)
4. ST documents service outage times and completes order in TechNet. (CLEC notified via Enhanced Network Delivery Initiative (EnDI))

NOTE: If an Unbundled Loop Modification/XX appears on the order, it could mean BT for bridged tap or LC for load coil (ULMXX) Universal Service Order Code USOC. This indicates the CLEC has ordered the modification of the loop and all necessary pair changes must be coordinated through the Service Advocate Center / Special Services Facility Assignment Control System (SAC/SSFACS) to insure a pair meeting the CLEC's request is utilized.

If no dial tone on 'cut to' facilities – call the CO tech to confirm that BST's wiring changes have been completed and that the facilities are good. Once confirmed, the CO will check for dial tone at the Point of Termination (POT). If there is No Dial Tone (NDT), the ST will incomplete the order as Sub not ready (SR) 0191-515. The ST needs to contact the Customer Wholesale Interconnect Network Services (CWINS) Center and advise them the service order will not be completed. This is necessary to stop the completion of the 'D' order.

***Note** - The CWINS Center should be notified when an order is not completed for any reason, ex. load, facility problems, no dial tone from CLEC, etc.

REQUEST: Do BellSouth's retail recurring and/or non-recurring charges for basic voice grade service recover any costs for disconnecting the retail customer in the event the customer discontinues his/her service with BellSouth? If the answer is no, please discuss how BellSouth does recover these disconnect costs. If the answer is not an unqualified no, please discuss and identify all disconnect costs and activities that are recovered through the recurring and/or non-recurring charges.

RESPONSE: BellSouth objected to this Interrogatory.

REQUEST: What is the percentage of retail business customers in Florida eligible for discounted rates as part of or in exchange for a term commitment (e.g., 2002, 2003, 2004 Key Customer promotion) that are currently obligated to BellSouth under such contracts. Please express the percentage using the following formula: Total number of BellSouth retail business customers in Florida that have entered into term commitments with BellSouth in exchange for discounted rates divided by the total number of retail business customers in Florida eligible for discounted rates as part of or in exchange for a term commitment with BellSouth but which have not entered into such commitments. Identify in your response the promotional programs included in your calculation.

RESPONSE: BellSouth objected to this Interrogatory.

REQUEST: What is the percentage of BellSouth retail business customers in Florida that have entered into term commitments with BellSouth in exchange for discounted rates (e.g., 2002, 2003, 2004 Key Customer promotion). Please express the percentage using the following formula: Total number of BellSouth retail business customers in Florida that have entered into term commitments with Bellsouth in exchange for discounted rates divided by the total number of BellSouth retail business customers in Florida. Identify in your response the promotional programs included in your calculation.

RESPONSE: BellSouth objected to this Interrogatory.

BellSouth Telecommunications, Inc.
FPSC Docket No. 030829-TP
FDN's 3rd Request for Production
April 27, 2004
Item No. 5
Page 1 of 1

REQUEST: Provide all documents referring or relating to BellSouth's responses to each of the interrogatories and subparts contained herein.

RESPONSE: Responsive documents which are considered proprietary are being provided subject to the terms of the parties' protective agreement in this docket.

Respectfully submitted this 20th day of May, 2004.

BELLSOUTH TELECOMMUNICATIONS, INC.

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CONFIDENTIAL

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET

NO. 030829-TP EXHIBIT NO. 6
COMPANY/ BellSouth CONFIDENTIAL
WITNESS. responses to Discovery
DATE: 10/06/04

EXHIBIT NO. 6

DOCKET NO.: 030829-TP

WITNESS: BellSouth – Confidential

PARTY: BellSouth

DESCRIPTION:

1. BellSouth's Confidential Responses to FDN's 2nd Request for PODs - Item No. 4 - Document No. 13239-03 (CD only)
2. BellSouth's Confidential Responses to FDN's 3rd Request for PODs - Item No. 5 - Document No. 05835-04

PROFFERING PARTY: STAFF

I.D. # BSTCONF-1

EXHIBIT NO. 7

DOCKET NO.: 030829-TP

WITNESS: Carlos Morillo

PARTY: BellSouth

DESCRIPTION:

1. August 31, 2004, Deposition Transcript, page 1.

PROFFERING PARTY: STAFF

I.D. # CM-D.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 030829-TP EXHIBIT NO. 7
COMPANY/ F.P.S.C. STAFF /BST
WITNESS. Morillo's Dep. transcript
DATE: 10-06-04

COPY OF TRANSCRIPT

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In Re:

Complaint of FDN
Communications for
Resolution of Certain
Billing Disputes And
Enforcement of UNE
Orders and Interconnection
Agreements with BellSouth
Telecommunications, Inc.

Docket No. 030829-TP
Filed: August 23, 2004

DEPOSITION OF

CARLOS MORILLO

August 31, 2004
9:40 a.m.

BellSouth Telecommunications
Suite 4300
675 West Peachtree Street
Atlanta, GA 30375

Thomas R. Carey, CCR #: B-1715

2004 SEP 17 PM 1:43
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COMPETITIVE SERVICES

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Deposition of Carlos Morillo

August 31, 2003

MR. KASSMAN: This is the Carlos Morillo deposition. Court Reporter, if you could swear the witness, please.

CARLOS MORILLO, being first duly sworn, was examined and testified as follows:

EXAMINATION**BY-MR. KASSMAN:**

Q. Good morning, Mr. Morillo.

A. Good morning.

Q. My name is Scott Kassman, I'm an attorney with FDN communications, and I have a series of question for you this morning. If at any time you don't understand my question, please state that you don't understand my question, ask me for clarification, I'll be happy to do that for you. If you don't do that, I'll presume that you've understood my question. Okay?

A. Okay.

Q. Please state your name for the record?

A. Carlos Morillo.

Q. With whom are you employed?

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1 A. BellSouth.

2 Q. In what capacity are you employed?

3 A. I'm a Director of Policy and
4 Implementation.

5 Q. Can you tell me what that entails,
6 Mr. Morillo?

7 A. Representing our company in
8 arbitration issues, directing and writing the
9 testimony.

10 Q. Okay. How long have you been in
11 the telecommunications business, Mr. Morillo?

12 A. Approximately 14 years.

13 Q. How long have you been in the local
14 end of that business?

15 A. Total, about three and a half.

16 Q. Have you ever been employed in the
17 field or held any position of an operational
18 nature?

19 A. I was responsible for a Center in
20 Jacksonville, Florida for a Customer Center.
21 That's the only time I've been deployed in the
22 field. Most of the rest has been at
23 headquarters.

24 Q. But you haven't been, when you say
25 you've been employed in the field, you haven't

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1 been employed in any kind of maintenance repair
2 or network operations capacity?

3 A. No, I have not.

4 Q. Have you ever been inside a central
5 office, Mr. Morillo?

6 A. Yes.

7 Q. Have you ever witnessed a hot cut?

8 A. No, I have not witnessed a hot cut.

9 Q. I'm sorry. Tell me how long you've
10 been working on local policy issues related to
11 the implementation of the Telecom Act?

12 A. I'm not certain that I follow your
13 question.

14 Q. You say you worked on policy issues,
15 correct?

16 A. Yes.

17 Q. How long have you been working on
18 issues related to implementation of the Telecom
19 Act?

20 A. I would have to say since May.

21 Q. Since May of this year?

22 A. Yes.

23 Q. 2004, okay. Do you have a Law
24 Degree, Mr. Morillo?

25 A. No, I don't.

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1 Q. Do you have any legal training
2 whatsoever?

3 A. No, I don't.

4 Q. Isn't it true you're not qualified
5 to interpret legal documents such as contracts?

6 MS. MAYS: Objection.

7 MR. KASSMAN: What's the objection?

8 MS. MAYS: The objection is you're
9 asking the witness who just said he's a lawyer
10 to call for a legal conclusion.

11 MR. KASSMAN: I'm sorry, the witness
12 said he was not a lawyer.

13 MS. MAYS: He said he was not a
14 lawyer, correct.

15 MR. KASSMAN: Right. He said he
16 was not a lawyer. So I'm asking him, he's
17 saying he's not a lawyer, so doesn't that mean
18 he's not qualified to interpret legal documents?

19 MS. MAYS: The objection stands.
20 You can answer the question if you understand
21 it.

22 THE WITNESS: I don't understand
23 your question.

24 MR. KASSMAN: I'll move on.

25 Q. (By Mr. Kassman) Mr. Morillo, have

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1 you read the FCC's First Report and Order,
2 otherwise known as the Local Competition Order?

3 A. No, not in its entirety.

4 Q. So you've read certain portions
5 thereof?

6 A. Right.

7 Q. Have you read the parties'
8 Interconnection Agreement, the agreement between
9 BellSouth and FDN?

10 A. The provisions that apply to this
11 case, yes.

12 Q. Mr. Morillo, can you tell me where
13 in any of the parties' agreements that it states
14 that BellSouth may charge FDN disconnect NRCs
15 for disconnects that FDN does not cause to
16 occur?

17 A. I'm not certain that I understand
18 your question. If you're asking me where in
19 the contract it says that FDN should pay for
20 disconnect charges, there is a rate sheet that
21 indicates that disconnect charges apply, and
22 there is a provision in the contract that says
23 FDN should pay for items provided on that rate
24 sheet.

25 Q. Actually my question to you, Mr.

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1 Morillo, was: Does it state anywhere in any of
2 those agreements that BellSouth may charge FDN
3 disconnect rates for disconnects that FDN does
4 not cause to occur?

5 A. Again, I don't -- I know that there
6 are disconnect charges in the rate sheets that
7 apply for certain elements, and there is in the
8 contract a stipulation that says that FDN agrees
9 under the contract to pay for those rates.

10 Q. Let me ask the question a different
11 way, Mr. Morillo. Is it stated anywhere on
12 those agreements how that rate applies and what
13 circumstances?

14 A. No, it doesn't. It just states that
15 disconnect rates apply for any time that FDN
16 disconnects a loop in this case.

17 Q. So there's no mention of disconnects
18 in win-back situations; is that correct?

19 A. Not in the agreements, no.

20 Q. Okay. You know what a hot cut is,
21 right?

22 A. Yes.

23 Q. Can you describe for me the
24 activities that take place in a hot cut?

25 A. For disconnection there are certain

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1 activities that take place. For instance, there
2 are some assignments and reassignment of ports
3 in the distribution frames, as well as the
4 cross-connect, and there's actual physical work
5 to remove jumper cables in the main distribution
6 frame.

7 Q. Mr. Morillo, would it be fair to
8 characterize a win-back from a facility-based
9 provider like FDN as a reverse hot cut?

10 A. I am not, I'm not, I'm not a
11 network person, so I would not want to
12 speculate.

13 Q. You've just told me that you, you've
14 just listed the activities that take place for a
15 hot cut. So in the situation where a loop is
16 disconnected from a facility-based provider like
17 FDN and reconnected to Bell's facilities, isn't
18 that the reverse of a hot cut?

19 MS. MAYS: I'm going to object to
20 the extent the witness has asked and answered.
21 You can still answer the question, Carlos.

22 THE WITNESS: As I mentioned a few
23 minutes ago, when you disconnect a loop, you
24 must physically disconnect the jumper cables and
25 the distribution frames, as well as reassign

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1 those ports, and also to the extent that there's
2 some digital cross-connects with, in this case
3 FDN, then you must also adjust those.

4 Q. (By Mr. Kassman) So let me be
5 clear here. The situation you've just
6 described, that's on a win-back or that's in a
7 hot cut?

8 A. That's in general what has to
9 transpire for us to disconnect a loop.
10 Regardless of what happens to a loop, we must
11 accomplish those tasks. Those are discrete
12 separate tasks that must take place for us to
13 disconnect a loop.

14 Q. I'm sorry, Mr. Morillo, but you
15 haven't answered the question. The question was
16 -- so let me ask it a different way.

17 So the same steps take place in a
18 hot cut as in a disconnection from a
19 facility-based provider like FDN in a win-back
20 situation where the customer goes back to
21 BellSouth; is that correct?

22 A. I think I missed the link in your
23 question.

24 Q. You stated the same activities take
25 place regardless, so are you stating that the

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1 same activities take place on a win-back as they
2 do in a hot cut?

3 MS. MAYS: I'm going to object to
4 the extent it's been asked and answered.

5 MR. KASSMAN: It hasn't been
6 answered.

7 MS. MAYS: But the witness, excuse
8 me, Scott, I'd like to finish my objection, the
9 witness just stated that in a disconnect, he
10 prefaced his answer with in a disconnect. Now,
11 if you need to clarify your question, then go
12 ahead and do so.

13 MR. KASSMAN: I've asked the
14 question three different ways. I don't know how
15 many times he's going to avoid it.

16 MS. MAYS: I don't believe the
17 witness is trying to avoid it. I don't believe
18 he's understanding your question.

19 MR. KASSMAN: I'll ask it a fourth
20 time.

21 Q. (By Mr. Kassman) Mr. Morillo,
22 you've stated that the same activities take
23 place -- let me back up. I'm sorry.

24 MR. KASSMAN: Court Reporter, can
25 you read for me what Mr. Morillo stated on the

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1 record?

2 (WHEREUPON, the record was read)

3 Q. (By Mr. Kassman) Mr. Morillo, I
4 think it's clear, at least in my mind, I asked
5 you the question, please describe the activities
6 that take place during a hot cut. And I think
7 you responded, and I think it's pretty clear
8 that you responded in terms of what takes place
9 anytime you disconnect a loop. Is that your
10 understanding of what you stated on the record
11 today?

12 A. Right. Yes.

13 Q. Okay. So my question to you is,
14 sir, when you're talking about disconnection,
15 you're talking about disconnection from BellSouth
16 or disconnection from a facilities-based
17 provider?

18 A. I guess the first time when you
19 disconnect a loop, regardless of who you're
20 disconnecting from, the steps that I referred to
21 you a few minutes ago take place, you must
22 disconnect the jumper, you must reassign the
23 ports in the jumpers, and to the extent that
24 there's some digital cross-connections, in the
25 case with FDN, those also have to be adjusted.

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1 Regardless of when a loop is disconnected, for
2 reasons that it is disconnected, those things
3 must take place. They're separate discrete
4 tasks that must take place to disconnect the
5 loop.

6 Q. So based on your response, then,
7 when you disconnect a loop from FDN, when
8 BellSouth wins back a customer, isn't that just
9 a hot cut, it's the same thing, right?

10 A. No, I don't know. To tell you the
11 truth, I'd be speculating. Again, if you want
12 me to answer the question, disconnect in a loop,
13 regardless who goes from and to, has to include
14 those two or three tasks that I already
15 mentioned.

16 Q. I'm asking you about a hot cut, Mr.
17 Morillo. You've told me you know what a hot
18 cut is, but yet you keep avoiding using that
19 word.

20 A. What's the question?

21 Q. The question is: BellSouth
22 disconnects a loop from FDN because it wins back
23 that customer, connects that loop to a BellSouth
24 switch, isn't that a hot cut?

25 A. My understanding of a hot cut --

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1 Q. Yes or no, Mr. Morillo?

2 A. I have a different perception of
3 what a hot cut is.

4 Q. So it's yes or no. Those are the
5 choices?

6 A. Can you repeat the question?

7 Q. When BellSouth disconnects a loop
8 from FDN because it wins back a customer, and
9 then reconnects that customer to BellSouth's
10 switch, is that a hot cut?

11 MS. MAYS: I'm going to object just
12 to the extent that if the witness doesn't
13 understand what you mean by a hot cut, that
14 needs to be clarified. Subject to the
15 objection, the witness can answer.

16 THE WITNESS: I would have to say
17 that I don't understand what you define a hot
18 cut to be.

19 Q. (By Mr. Kassman) You told me a hot
20 cut is a disconnection from one carrier switch
21 to the other. The same steps take place.

22 A. No, I did not say that.

23 Q. What did you tell me?

24 A. I never defined hot cut for you. I
25 never had a definition of hot cut.

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1 MS. MAYS: I'm sorry. We didn't
2 hear that, Scott.

3 Q. (By Mr. Kassman) Define what a hot
4 cut is, Mr. Morillo?

5 A. My understanding of a hot cut is a
6 conversion of loops within the same carrier.
7 That's my understanding of a hot cut without
8 having much network knowledge.

9 Q. Version of loops within the same
10 carrier?

11 A. Yes.

12 Q. I'm not sure I understand.

13 A. If you decide to migrate one type of
14 loop to another type of loop and it's still an
15 FDN.

16 Q. Isn't it true, Mr. Morillo, that a
17 hot cut is where a loop is transferred from one
18 carrier to another for service, service is
19 ported from one carrier to another?

20 A. I don't understand what you're asking
21 me.

22 Q. Mr. Morillo, isn't it your testimony
23 today that you've -- never mind. I withdraw
24 the question. Let's move on.

25 Mr. Morillo, do you happen to have

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1 in front of you the Rebuttal Testimony of Dr.
2 August Ankum and Sharon Warren?

3 A. Hold on a minute, I've got to look.
4 Yes.

5 Q. If you can turn to Page 18 for me,
6 please. Let me know when you're there.

7 A. I am here.

8 Q. Starting at line 1 and going down to
9 approximately line 18, would you agree with me,
10 subject to check, that that language came from
11 BellSouth's Discovery that FDN obtained?

12 A. Subject to check, yes.

13 Q. Okay. If you can take a look at
14 that for me, please. Would you agree with me
15 that --

16 A. I'm not finished yet.

17 Q. Okay. Let me know when you're
18 finished. I'm sorry.

19 A. Okay. I'm finished.

20 Q. Would you agree with me that those
21 are the activities that BellSouth has stated
22 occur during a win-back?

23 A. Subject to check, yes. I don't see
24 any reference on this document to win-back of
25 any type.

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1 Q. Okay, Mr. Morillo, let's take a step
2 back here. Do you have a document -- I'm
3 sorry, bear with me here.

4 A. Okay.

5 Q. Do you have in front of you there
6 BellSouth's Responses to FDN's Second Set Of
7 Interrogatories?

8 MS. MAYS: I may, Scott, hold on.

9 MR. KASSMAN: Okay.

10 MS. MAYS: FDN's second set?

11 MR. KASSMAN: Yes.

12 MS. MAYS: All right. We have it.
13 What's the question?

14 MR. KASSMAN: Turn to -- well, the
15 pages aren't numbered -- item number 4B, 102?

16 MS. MAYS: Okay. 4B.

17 MR. KASSMAN: See that attachment,
18 Page 102, at the top it says "Central Office
19 Provisioning Procedures"?

20 MS. MAYS: Hold on one second.

21 THE WITNESS: Okay.

22 MR. KASSMAN: Are you there?

23 THE WITNESS: I'm here.

24 Q. (By Mr. Kassman) Turn back two
25 pages, you'll see that that response that you're

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1 looking at relates to Interrogatory 4, which
2 asks the question, "Referring or relating to
3 instances to which BellSouth wins back a UNE-L
4 customer." Do you see that?

5 A. Yes.

6 Q. Okay. So the response that
7 BellSouth provides two pages later has to do
8 with the win-back, doesn't it, Mr. Morillo?

9 A. Yes. It's defined as that, yes,
10 item No. 4 defines, says, "To be for win-backs."

11 Q. Okay. Now, looking at those
12 activities, can you tell me, can BellSouth turn
13 up service to its customer without performing
14 each of these activities?

15 A. I'm not a network expert, so looking
16 at these I don't see anywhere that says that.

17 Q. That's not what I'm asking you, Mr.
18 Morillo. Can BellSouth turn up service to its
19 customer after it wins that customer back
20 without performing all of these activities?

21 MS. MAYS: I'm going to object to
22 the extent the witness has asked and answered.
23 He says he's not a network person and he's
24 unable to answer it. Subject to the objection,
25 the witness can answer again.

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1 THE WITNESS: For the second time, I
2 don't see anything here that indicates that's
3 the case.

4 Q. (By Mr. Kassman) Isn't it true, Mr.
5 Morillo, that the question was asked of
6 BellSouth in Discovery in the page that we just
7 looked at, "Please identify and describe in
8 detail all activities performed by BellSouth
9 technicians to migrate that customer from FDN's
10 network to BellSouth's network." And so the
11 response we're looking at are the activities
12 that take place during a win-back, wouldn't you
13 agree?

14 A. For the third time, yes, that's what
15 item 4 says.

16 Q. Isn't it true, then, Mr. Morillo,
17 that all of these steps need to be taken to
18 turn up service to BellSouth's customer?

19 A. Again, I'm not a network expert, and
20 I'm not certain if this is, I assume that it's
21 an all-inclusive list of items, but I'm not
22 certain if anything else takes place.

23 Q. Let me turn it around then. If we
24 were to take some of these items off the list,
25 Mr. Morillo, could BellSouth turn up service to

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1 its customer?

2 MS. MAYS: Objection. Again, the
3 witness has already stated the scope of his
4 knowledge. He's not a network person. His
5 name isn't even on these Interrogatories, Scott.
6 BellSouth has offered in our early file
7 prehearing statement to stipulate in the
8 Discovery in any event. Subject to the
9 objection, the witness can try to answer.

10 THE WITNESS: I forgot the question.
11 Can you repeat the question?

12 Q. (By Mr. Kassman) The list of
13 activities that we're looking at --

14 A. Yes.

15 Q. -- if we were to take any one of
16 those out of the equation, would it still be
17 possible for BellSouth to turn up service to its
18 customer?

19 A. Again, I'm not a network person.
20 And I don't know whether this list is an
21 all-inclusive list and whether eliminating one
22 would allow BellSouth to still turn up the
23 customer.

24 Q. Again, back to the list, Mr.
25 Morillo, isn't it true that these activities are

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1 all associated with providing service to
2 BellSouth's new customer for installing service?

3 MS. MAYS: Objection. Asked and
4 answered. Go ahead.

5 THE WITNESS: I don't know.

6 MR. KASSMAN: Thank you, Mr.
7 Morillo. All right. Let's move on.

8 Q. (By Mr. Kassman) Mr. Morillo, in a
9 win-back situation, do you know what percentage
10 of the time a loop is reused?

11 A. No, I don't.

12 Q. Do you know what percentage of the
13 time, if any, there is field work associated
14 with the loop?

15 A. I don't.

16 Q. Do you know how often there is
17 central office work associated with the loop,
18 not the jumpers, but the loop?

19 A. I don't.

20 Q. Can you tell me what activities take
21 place with respect to the loop within a central
22 office in a win-back situation?

23 A. I believe earlier in my testimony I
24 provided you what happens to disconnect the
25 loop.

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1 Q. Well, you know, let's look at that,
2 Mr. Morillo. Can you point me to where that
3 is in your testimony?

4 A. On my testimony, Page 4 --

5 Q. This is your Rebuttal Testimony?

6 A. Yes.

7 Q. I'm sorry, Mr. Morillo, are we
8 looking at your Rebuttal Testimony?

9 A. Yes.

10 Q. Page 4; is that right?

11 A. Yes.

12 Q. Point me to where on Page 4?

13 A. Starting on line 6 through line 20,
14 I discuss in general terms what takes place.

15 Q. Now, you've told me you're not by
16 any means a network expert, and you've not
17 witnessed a hot cut, is that correct, I think
18 you stated that earlier?

19 A. I've been to a CO tour, and I've
20 witnessed other things, but, no, I did not
21 witness a hot cut.

22 Q. What is your understanding of what
23 happens with respect to the loop that's
24 reflected here in your testimony, what is that
25 based on?

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1 A. Discussions that I had with network
2 folks.

3 Q. Isn't it true, Mr. Morillo, that
4 there's actually no work associated with the
5 loop, that the work done in the BellSouth
6 central office is all associated with the
7 jumpers, isn't that true?

8 A. It depends on the situation, so I
9 couldn't tell you.

10 Q. What does it depend on, I'm sorry?

11 A. What the reason for the disconnects
12 are.

13 Q. No, no, Mr. Morillo. You state here
14 in your testimony that there are separate and
15 distinct work activities involved with removing
16 the loop from the losing CLEC, FDN in this
17 case. Isn't it true the activities are not,
18 strictly speaking, associated with the loop, but
19 rather associated with the jumpers?

20 A. Where, can you point me to my
21 testimony where I said that?

22 Q. No, I'm asking you, Mr. Morillo.
23 You used the word "loop" in your testimony.
24 I'm asking you: Isn't it correct that there's
25 really not work associated with the loop, the

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1 work in the central office relates to the
2 jumpers, isn't that true, Mr. Morillo?

3 A. Jumpers and systems, yes.

4 Q. So not the loop, correct?

5 A. The loop being the connection between
6 the central office and the customer premise,
7 right?

8 Q. Correct. I'll accept that definition
9 for these purposes.

10 A. Yes.

11 Q. Thank you, Mr. Morillo. Bear with
12 me, please. Looking at, again, Page 4 here of
13 your Rebuttal Testimony, specifically lines 6
14 through 20, you say that disconnecting a loop
15 from FDN's switch and reconnecting it to
16 BellSouth's switch are two distinct events, is
17 that correct, is that essentially what you
18 stated here?

19 A. Yes.

20 Q. Can you tell me where the disconnect
21 work ends and the reconnect work begins, where
22 is that line in your mind?

23 A. The disconnect ends when the jumpers
24 and the assignments of the ports are completed.

25 Q. Any work thereafter relates to what,

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1 the installation of the loop for BellSouth's
2 customer?

3 A. I don't believe I understand your
4 question.

5 Q. You stated for me that after the
6 jumpers are moved -- you know, let's go back.

7 Court Reporter, what did Mr. Morillo
8 state, what was his response to my question?

9 (WHEREUPON, the record was read)

10 Q. (By Mr. Kassman) So, Mr. Morillo,
11 after the jumpers are moved and the port
12 assignments are completed, is it your testimony
13 that any activity that occurs thereafter is not
14 related to the disconnect but rather related to
15 the installation of BellSouth's new customer?

16 A. I am not familiar enough to tell you
17 when the installation of the new customer takes
18 place, whether it precedes the disconnection or
19 it's completed after the disconnection of the
20 loop.

21 Q. But you are familiar enough to tell
22 me what you want to tell me, but not what I'm
23 asking you?

24 MS. MAYS: Objection, argumentative.

25 MR. KASSMAN: I'll withdraw the

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1 question.

2 Q. (By Mr. Kassman) Mr. Morillo, would
3 you agree that the reconnect that you describe
4 on Page 4 is, in other words, for lack of a
5 better word, an installation?

6 A. Can you direct me to that sentence
7 that you're referring to or in general?

8 Q. In general.

9 A. Can you restate the question? I'm
10 sorry.

11 Q. Never mind, Mr. Morillo, I withdraw
12 the question.

13 Mr. Morillo, do you see on Page 4
14 at the end of line 8 where you state there are
15 two events, one, is the disconnection event and,
16 two, is the installation event, do you see that,
17 sir?

18 A. Yes, I do.

19 Q. This installation that you refer to,
20 is that for the benefit of BellSouth or for the
21 benefit of FDN?

22 A. In general terms it could be for
23 anybody that wanted that loop.

24 Q. In a situation where the customer
25 migrates from FDN to BellSouth, for whose

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benefit is that installation?

A. It would be the installation for BellSouth.

Q. Thank you, sir.

A. The end user of BellSouth.

Q. Moving to Page 8 of your Rebuttal Testimony.

A. Okay.

Q. Are you there?

A. Yes, I am.

Q. Okay. Actually, I'm sorry, I apologize, Mr. Morillo, let's move on. I withdraw that question, to the extent it was a question at all.

In your Rebuttal Testimony, Mr. Morillo, you cite to the 1998 Arbitration Order issued by the Florida Commission, do you have a copy of that Order in front of you?

A. No, I don't.

MR. KASSMAN: Is there one readily available this morning?

MS. MAYS: It might take me a minute to get it. Hold on. Scott, we might have -- are you looking for the whole Order, because if so, I'm going to have to go to

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1 another room. If not, we may have a couple of
2 pages. So it depends on what you need.

3 MR. KASSMAN: Well, let me, before
4 you go check another room, let me ask Mr.
5 Morillo another question.

6 Q. (By Mr. Kassman) Mr. Morillo, are
7 you familiar with that Commission Order, the
8 Arbitration Order, the 1998 Order you referenced
9 in your testimony?

10 A. To the certain provisions, yes.

11 Q. Can you tell me, is there anywhere
12 in that Order that references win-backs?

13 A. I don't know. I don't believe it
14 had any references to win-backs.

15 Q. Based on your reading of the Order,
16 is there any evidence to suggest that the
17 Commission even considered win-backs when it
18 arrived at its decision?

19 A. I don't know. I'd be speculating
20 what the Commission included or not included in
21 their analysis.

22 Q. Mr. Morillo, do you have a copy of
23 the Commission's May 25, 2001 UNE Cost Order in
24 front of you?

25 A. Hold on a minute.

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1 Q. Okay.

2 MS. MAYS: Again, we have selected
3 excerpts of it, Scott, in front of us. If we
4 need the whole Order, we'll have to go to
5 another room and get it.

6 MR. KASSMAN: Okay.

7 Q. (By Mr. Kassman) Mr. Morillo, can
8 you point to anywhere in that Order that the
9 Commission discussed disconnect's nonrecurring
10 charges in the context of a win-back?

11 A. I don't remember seeing any reference
12 to win-backs.

13 Q. Okay. Do you have any evidence to
14 suggest that the Commission even considered
15 win-backs in that proceeding?

16 A. I don't know.

17 Q. Mr. Morillo, I'm looking at a
18 document obtained through Discovery from
19 BellSouth entitled, "Central Office Win-Back
20 Procedures." Do you happen to have that
21 document in front of you?

22 MS. MAYS: What question was it
23 produced in response to, Scott?

24 MR. KASSMAN: I believe it was in
25 response to FDN's Third Request For Production

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1 of Documents 5.

2 MS. MAYS: Actually, that was a
3 confidential document, and I don't have it here
4 in front of me. I see where we responded to
5 you. I'll keep looking. Okay. Got it.

6 Q. (By Mr. Kassman) Mr. Morillo, if I
7 can direct you to the first page of that
8 document?

9 A. Okay.

10 Q. In the upper right-hand corner there
11 are some characters there, some numbers, and
12 some letters, if you can read me what it says
13 right below those numbers and letters in the
14 upper right-hand corner?

15 MS. MAYS: I'm sorry, Scott, I think
16 we may be off. Do you have a Bates Number?
17 I'm looking at 5, is there a Bates Number in
18 the lower corner so we can be sure we're on
19 the same document?

20 MR. KASSMAN: Yes, it's 306.

21 THE WITNESS: Okay.

22 Q. (By Mr. Kassman) Are you with me
23 now? Do you see the characters there, some
24 numbers and letters right underneath the title
25 of the document at the top?

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1 A. Under "Central Office Win-Back
2 Procedures"?

3 Q. Yes. There's some characters there,
4 some numbers and some letters, do you see that?

5 A. Yes.

6 Q. And right below that there some
7 language there, can you read that for me, the
8 language right below those numbers and letters?

9 A. "Issue one, October 2001."

10 Q. Would it be fair to say, Mr.
11 Morillo, that this is the first iteration of
12 this document?

13 A. I don't know whether there are
14 previous drafts circulated or not, but it says
15 issue one.

16 Q. Okay. So that would indicate to you
17 that this is the first iteration, wouldn't it?

18 A. I would be speculating again. I
19 don't know if there were other drafts, but, yes,
20 it says "issue one."

21 Q. Okay. That's fine, Mr. Morillo.
22 What's that date there, I'm sorry, did you say
23 October 2001?

24 A. That's correct.

25 Q. Okay. I'm sorry, did you tell me

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1 you've got a copy of the UNE Cost Order, the
2 final Order in Docket 990649 in front of you
3 there?

4 A. Yes, we have excerpts, I believe.

5 Q. I don't know whether you've got the
6 first page there. To the extent you do, can
7 you tell me when that Order was issued?

8 A. May 21, I mean, sorry, May 25, 2001.

9 Q. So, Mr. Morillo, if BellSouth didn't
10 have special office win-back procedures document
11 in place at the time of the Commission's Order
12 in the UNE Docket, much less prior to that
13 time, when BellSouth submitted its cost study to
14 the Commission, could BellSouth disconnect rates
15 reflect situations where a loop was disconnected
16 from facilities-based provider and reconnected to
17 BellSouth's switch, in other words, a win-back?

18 MS. MAYS: I'm going to object to
19 the extent it assumes facts not in evidence and
20 it's also compound and confusing. Subject to
21 that, the witness can try to answer.

22 THE WITNESS: I didn't understand
23 your question.

24 MR. KASSMAN: I'll ask it a
25 different way.

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1 Q. (By Mr. Kassman) You've just
2 stated, or you just read for me that the
3 BellSouth document entitled, "Central Office
4 Win-Back Procedures" was first issued in October
5 of 2001. You've also just told me that the
6 Commission did not issue its final Order in the
7 UNE Cost Docket until May 2001. So isn't it
8 true, then, Mr. Morillo, at the time BellSouth
9 submitted its cost study to the Commission, that
10 that cost study did not envision or contemplate
11 win-backs?

12 MS. MAYS: I'm going to object on
13 the same grounds. The witness did not state
14 when the central office, with certainty when it
15 was issued or not. He read you the date and
16 stated he could not speculate as to whether or
17 not that was the only version. Subject to
18 that, the witness can answer the question.

19 THE WITNESS: I don't know when the
20 procedures were produced and whether or not the
21 cost study included those elements of the
22 procedures. I don't know.

23 MR. KASSMAN: Bear with me, please.

24 THE WITNESS: Okay.

25 Q. (By Mr. Kassman) The document

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1 aside, the Central Office Win-Back Procedures
2 document aside, Mr. Morillo, do you know whether
3 BellSouth's cost study submitted to the
4 Commission in Docket 990649 included any
5 information related to win-backs, work times and
6 activities associated with win-backs?

7 A. I don't know.

8 Q. Mr. Morillo, would you agree that
9 BellSouth's UNE rates must be cost-based?

10 A. Yes.

11 Q. I've got a hypothetical for you, Mr.
12 Morillo. Let's assume for a moment that
13 BellSouth's cost study that we just discussed
14 does not envision win-backs, would you agree
15 with me, sir, that application of the disconnect
16 rate in win-back situations would be unlawful?

17 MS. MAYS: I'm going to object to
18 the extent it calls for the witness to make a
19 legal conclusion. Subject to the objection, he
20 can try to answer.

21 THE WITNESS: I don't know.

22 MR. KASSMAN: Bear with me, please.

23 THE WITNESS: Okay.

24 Q. (By Mr. Kassman) Turning to Page 10
25 of your Rebuttal Testimony, Mr. Morillo. If you

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1 can turn to that page, please?

2 A. Okay. I'm here.

3 Q. Okay. If you can read for me
4 starting at line 10 where it says, "In order,"
5 can you read that sentence for me, please?

6 A. "In order to determine who the
7 cost-causer is, the accurate question is: Why
8 are the resources being expended? With respect
9 to the disconnect activities --"

10 Q. No, no, that's fine, Mr. Morillo. I
11 just wanted that one sentence. That was fine.
12 Thank you.

13 Isn't it true, Mr. Morillo, getting
14 back to our previous discussion regarding the
15 work activities associated with a disconnect,
16 isn't it true, Mr. Morillo, that those resources
17 being expended are to install BellSouth's
18 win-back customer?

19 A. No, it's not true. It is true that
20 it's being expended to disconnect an FDN
21 customer.

22 Q. Mr. Morillo, does BellSouth receive
23 any benefit when it disconnects an FDN customer
24 and reconnects that customer to BellSouth switch?

25 A. If you are asking whether BellSouth

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1 gains a customer, the answer would be yes, we
2 gain a customer. I don't understand your
3 question beyond that.

4 Q. Would you say getting a customer is
5 a benefit?

6 A. I believe that your company will
7 also agree that any time you get a customer --

8 Q. That's not what I asked you, Mr.
9 Morillo. I asked you: Would you agree that
10 BellSouth obtaining a customer would be a
11 benefit to BellSouth?

12 A. Yes. Just as much as you would
13 agree that FDN getting a customer is a benefit
14 to FDN.

15 Q. Mr. Morillo, can you turn to Page
16 338 of the May 25, 2001 UNE Order, please?

17 A. Hold on a minute. Okay.

18 Q. Do you see at the bottom of the
19 page, that last paragraph, it's actually the
20 last full sentence on that page that begins, "We
21 agree with AT&T WorldCom"?

22 A. Hold on a minute. Yes, I see the
23 sentence.

24 Q. If you can read that one sentence
25 for me, please, sir?

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1 A. "We agree with AT&T WorldCom Witness
2 King that nonrecurrent activities are those that
3 benefit only the specific ALEC."

4 Q. Mr. Morillo, if BellSouth received a
5 benefit from disconnecting the FDN customer and
6 reconnecting the customer at BellSouth, isn't it
7 true, then, based on what you've just read, that
8 FDN should not be charged a disconnect
9 nonrecurring charge?

10 A. No. Based on what I just read,
11 that's not true.

12 Q. Why is that, sir?

13 A. Because I read says, "We agree with
14 AT&T WorldCom witness that nonrecurrent
15 activities are those that benefit only." The
16 ALEC has no reference to disconnection,
17 installation or anything. So it's out of
18 context.

19 Q. It's talking about nonrecurring
20 activities, correct?

21 A. It makes reference to nonrecurring
22 activities, but the sentence that I just read
23 does not say anything else.

24 Q. Sir, isn't the disconnect charge at
25 issue a nonrecurring charge?

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1 A. Yes.

2 Q. So then doesn't that sentence apply
3 as I've just stated to the situation at hand,
4 how is that out of context, sir?

5 A. Because in here it didn't stipulate
6 either one, so --

7 Q. Because it didn't say the magic
8 words, is that your answer?

9 MS. MAYS: Objection. Argumentative.

10 MR. KASSMAN: I'll move on.

11 Q. (By Mr. Kassman) Can you turn to
12 Page 15 of your Rebuttal Testimony, please, Mr.
13 Morillo?

14 A. Yes, hold on a minute.

15 Q. Beginning at line 8, can you read
16 that for me, starting with the, "Importantly" on
17 line 8?

18 A. "Importantly FDN's end user is the
19 cost-causer for FDN in this situation."

20 Q. Thank you, sir. Is it true, Mr.
21 Morillo, that you also state elsewhere in your
22 testimony that FDN is the cost-causer because it
23 orders the loop from BellSouth in the first
24 place?

25 A. Yes.

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1 Q. Which is it, Mr. Morillo, is FDN the
2 cost-causer, or is the end user the cost-causer?

3 A. It depends what the question is.
4 Which question are you wanting me to answer?

5 Q. So, what I'm stating, sir, is,
6 you've stated in different places in your
7 testimony that FDN is the cost-causer, other
8 places you've stated that the end user is the
9 cost-causer, can you reconcile that for me,
10 please?

11 A. Sure. If FDN orders a loop from
12 BellSouth, then FDN is the cost-causer for the
13 installation and the disconnection charges.

14 Q. I'm sorry. Where does the end user
15 come in, Mr. Morillo, you stated the end user
16 was the cost-causer?

17 A. It's the end user that belongs to
18 FDN.

19 Q. You're not answering my question, Mr.
20 Morillo. Is it the end user that is the
21 cost-causer or is it FDN?

22 A. The end user in this sentence that
23 you asked me to read is the cost-causer for
24 FDN.

25 Q. Mr. Morillo, getting back to --

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1 well, as I said, you state in your Rebuttal
2 Testimony elsewhere that FDN is the cost-causer
3 because it ordered the loop from BellSouth in
4 the first place, correct?

5 A. Yes. I make a reference early in
6 the testimony, yes.

7 Q. Thank you. Isn't that tantamount to
8 saying that BellSouth should never pay for costs
9 it incurs in winning back a customer?

10 A. I don't follow your question.

11 Q. If BellSouth -- if FDN orders a loop
12 to begin with, any costs associated, are you
13 saying that any costs associated with winning
14 back that customer should be borne by FDN?

15 A. No. I said that FDN should be
16 charged for the disconnect and installation of
17 that loop.

18 Q. And why is that again?

19 A. Because it caused the cost.

20 Q. Taking your argument to a logical
21 extension, then, wouldn't it be true that any
22 cost BellSouth incurs for winning back that
23 customer should be borne by FDN?

24 A. Depends on what cost we're talking
25 about. If you're referring to the cost of

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1 installing the disconnect loop that belongs to
2 FDN in this case, no, FDN should have borne
3 that cost.

4 Q. Let's move on, Mr. Morillo. Mr.
5 Morillo, can you tell me the difference between
6 a designed loop and nondesigned loop?

7 A. I believe that the nondesigned loop
8 is a simple loop, and a designed loop requires
9 some engineering to be done to be able to be
10 provisioned.

11 Q. A hypothetical for you, Mr. Morillo.
12 Let's say FDN is forced to order a designed
13 loop because there's IDLC on that loop. Okay.
14 And so what BellSouth does to engineer around
15 that IDLC is provide FDN with a parallel copper
16 pair, okay, are you with me?

17 A. I think so, yes.

18 Q. Okay. When BellSouth wins back that
19 customer from FDN, BellSouth provides service to
20 that end user over that copper pair that it
21 provisioned for FDN, or does it roll that
22 customer back on the IDLC loop?

23 A. I'm not a network expert, so I
24 couldn't, I don't believe I can answer that
25 question, what actually transpires in terms of

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1 the actual physical facility.

2 Q. Mr. Morillo, can you tell me why
3 it's more expensive to disconnect a design loop
4 than to disconnect a nondesigned loop?

5 A. I believe the reason, one of the
6 reasons is that the designed loop requires more
7 engineering and nonreusable facilities, so to
8 disconnect a designed loop, then you would have
9 to literally disconnect all of that that created
10 the designed loop.

11 Q. You just told me previously, Mr.
12 Morillo, that you're not a network engineer and
13 you couldn't answer my question with regard to
14 whether BellSouth reuses the same configuration
15 that BellSouth provisioned for FDN, so how is it
16 that you can answer my question in this
17 instance?

18 A. Because I literally don't know what
19 happens to the facilities in any particular
20 case.

21 Q. So if you don't know what happens to
22 the facilities in either case, what's your basis
23 for telling me that the charge for the designed
24 loop disconnect is more than the charge for the
25 nondesigned disconnect?

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1 A. Because it requires engineering,
2 planning and installation of different facilities
3 to be able to be a designed loop.

4 Q. Yes. But in a disconnect situation
5 you just told me, you couldn't answer me whether
6 BellSouth reuses the existing facility
7 provisioned for FDN or not. So my -- isn't it
8 possible, Mr. Morillo, that BellSouth does use
9 the facility provisioned for FDN and, therefore,
10 there shouldn't be any additional cost over and
11 above what it costs to disconnect a nondesigned
12 loop?

13 A. I don't know what BellSouth does in
14 any particular case. I just gave you an
15 explanation of what a design and nondesigned
16 loops are, and the fact that designed loops are
17 a little bit more complex to provision.

18 Q. So you, the answer is, you really
19 don't know why it's more expensive to disconnect
20 a designed loop versus a nondesigned?

21 MS. MAYS: I'm going to object.
22 It's been asked and answered, plus it's
23 argumentative.

24 MR. KASSMAN: Let's move on.

25 Q. (By Mr. Kassman) Mr. Morillo, why

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1 doesn't BellSouth charge FDN a SOMEN and/or
2 SOMAC charge?

3 A. It charges a SOMEN or SOMAC charge
4 only when FDN initiates the activity, in this
5 case a disconnect.

6 Q. Okay. When BellSouth issues a SOMEN
7 or SOMAC, issues a Service Order, excuse me,
8 should FDN be entitled to charge BellSouth for
9 processing that Order?

10 A. I could speculate, yes, that there
11 is nothing in our current agreement that says
12 that they should.

13 Q. Okay, Mr. Morillo. Bear with me for
14 a moment, please.

15 Mr. Morillo, do you have a copy of
16 the Florida Commission's 120 day Order in front
17 of you?

18 A. Yes.

19 Q. Turn to page 115 for me, please,
20 sir?

21 A. Okay.

22 Q. At the bottom of the page there
23 under where it says, "Closing Docket," can you
24 read the second sentence for me, please,
25 beginning with, "Therefore, upon consideration"?

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1 A. "Therefore, upon consideration we find
2 that it is appropriate for the rates to become
3 effective when the Interconnection Agreements are
4 amended to reflect the approved UNE rates and
5 the amended agreement becomes effective under
6 law."

7 Q. Thank you, sir. What is your
8 interpretation of that sentence, Mr. Morillo?

9 MS. MAYS: I'm sorry. The witness
10 has just stated to me he needs a health break,
11 Scott. If we can take two minutes.

12 MR. KASSMAN: That's fine. Sure.

13 (WHEREUPON, a brief recess was
14 taken.)

15 Q. (By Mr. Kassman) Okay, Mr. Morillo,
16 again, turning back to the sentence you just
17 read for me in the Commission's 120 day Order,
18 can you tell me, sir, your interpretation of
19 that sentence you read, what does it mean to
20 you?

21 A. Let me read it again one more time.

22 Q. Please.

23 A. Okay. I read it. I'm sorry, can
24 you repeat the question?

25 Q. Yes. What is your interpretation of

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1 that sentence, sir, what does that mean to you?

2 A. That when rates become effective --
3 I'm sorry, that if rates -- "We find it
4 appropriate for the rates to become effective
5 when Interconnection Agreements are amended and
6 the amended agreements become effective under
7 law." So I assume out of context that if
8 there are rates that need to be become
9 effective, that they would have to be a result
10 of agreements that are amended and that, and
11 that the agreement had to be become effective
12 under law.

13 Q. That's fine, Mr. Morillo. Thank
14 you. Mr. Morillo, are rate zones severable from
15 rates?

16 MS. MAYS: I'm going to object to
17 the extent it calls for a legal conclusion.
18 Subject to the objection, the witness can
19 answer.

20 THE WITNESS: Yes, the zones are
21 different than the rates.

22 Q. (By Mr. Kassman) No, sir, I'm
23 sorry, let me clarify. Are they severable from
24 the rates, in other words, can the rates exist
25 outside of the zones?

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1 A. Each zone must have a rate.

2 Q. So then the rates can't exist
3 outside the zones, is that what you're telling
4 me?

5 A. No. I said that each zone has to
6 have a rate.

7 Q. What does that mean, sir?

8 A. Simply that if I have a zone, it
9 must have a corresponding rate.

10 Q. So, therefore, it's true, then, isn't
11 it, Mr. Morillo, that the rates can't exist
12 outside of the zones on their own, right?

13 A. Based on the question you're asking
14 me, they would have to be coupled, yes.

15 Q. Thank you, sir. Is it true, Mr.
16 Morillo, that the FCC sometime ago ordered UNE
17 rates to be deaveraged?

18 A. Yes, that's my understanding.

19 Q. Based on what you just told me about
20 rates not being severable from the zones, isn't
21 it also true, then, Mr. Morillo, that UNE rates
22 are only lawful within the context of a
23 particular zone?

24 MS. MAYS: I'm going to object to
25 the extent you're specifically asking the witness

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1 to make a conclusion about what is or is not
2 lawful. It calls for a legal conclusion.

3 THE WITNESS: I don't know.

4 MR. KASSMAN: Thank you, Mr.

5 Morillo.

6 Q. (By Mr. Kassman) Would it be -- I
7 understand that you're a lay person. In your
8 lay opinion, sir, would it be lawful to match
9 an old UNE rate with a new UNE zone?

10 MS. MAYS: I'm going to object to
11 the extent it calls for facts not in evidence.
12 I don't believe the Commission changed the zones
13 in this case and with respect to this issue.
14 Subject to that, the witness can try to answer.

15 THE WITNESS: I don't believe I
16 understand, really, the question.

17 MR. KASSMAN: I'll withdraw the
18 question.

19 Q. (By Mr. Kassman) Mr. Morillo, can
20 you turn to Page 17 of your Rebuttal Testimony
21 for me, please?

22 A. Hold on a minute. Okay, I'm here.

23 Q. I'm sorry, just bear with me one
24 second.

25 A. Okay.

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1 Q. Can you read for me your response
2 beginning on line 21 of Page 17, please?

3 A. "No, FDN is proposing that the
4 120-day Order can only become effective when
5 BellSouth and a CLEC execute an amendment that
6 incorporates the rates contained in the 120-day
7 Order. FDN fails to consider the circumstances
8 in which a CLEC may not desire to incorporate
9 such rates. Under those circumstances, a CLEC
10 may not need to amend its agreement and,
11 therefore, the rates and changes would only
12 apply until they renegotiate their entire
13 Interconnection Agreement, possibly three years
14 after the Order. It is logical to conclude,
15 however, that the Commission did not intend to
16 create a situation in which CLECs could avoid
17 that modified rate on zone designations."

18 Q. Thank you, sir. Isn't your response
19 there nonsensical given that the parties, given
20 that the Interconnection Agreement between
21 BellSouth and FDN states that if the parties
22 can't agree to an amendment, that the matter
23 would go to dispute resolution before the
24 Commission?

25 MS. MAYS: I'm going to object.

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1 The question is argumentative.

2 THE WITNESS: I really don't
3 understand the question. If you can be more
4 specific.

5 Q. (By Mr. Kassman) How would the
6 situation described in your response ever take
7 place, Mr. Morillo if, in fact, the
8 Interconnection Agreement between BellSouth and
9 FDN provides that if the parties don't agree on
10 an amendment that the matter goes before the
11 Commission for dispute resolution?

12 A. Are you referring to a particular
13 sentence, because I'm reading here, "If FDN
14 fails to consider circumstances in which a CLEC
15 may not decide to incorporate rates, under those
16 circumstances the CLEC may not need to amend its
17 agreement and, therefore, the rates and changes
18 would not apply." I'm not certain that I'm
19 following.

20 Q. Mr. Morillo, you stated earlier that
21 you got some familiarity with the FDN/BellSouth
22 Interconnection Agreement; is that correct?

23 A. Yes.

24 Q. Can you tell me, sir, what the
25 agreement provides in the case of a change of

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1 law?

2 A. Can you be more specific?

3 Q. For instance, in a situation where
4 the Commission were to adopt new rates, what's
5 the procedure there, what did the agreement
6 provide for?

7 A. For new rates, I believe for new
8 rates, then, there would be an amendment to the
9 agreement for new rates.

10 Q. What happens, what does the
11 Interconnection Agreement state happens if the
12 parties can't agree to an a amendment, what
13 happens then?

14 A. There is a dispute resolution
15 process.

16 Q. So that matter goes before the
17 Commission, correct?

18 A. Ultimately, yes.

19 Q. How would your hypothetical here in
20 your testimony ever take place, wouldn't the
21 matter go before the Commission for resolution?

22 A. Depends, I guess, if there is a
23 dispute. If there is no dispute, it would
24 never go to the Commission for resolution.

25 MR. KASSMAN: Okay, Mr. Morillo.

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1 That's fine. Thank you, sir. That concludes
2 my questions. Thank you, Mr. Morillo.

3 THE WITNESS: You're welcome.

4 MS. MAYS: Staff, do you have
5 questions? Lee, are you still there? Did we
6 lose Staff along the way?

7 MR. KASSMAN: I have no idea.

8 MS. MAYS: Lee, Staff, if you are
9 talking, we can't hear you. Hello.

10 MS CASE: This is Laura Case with
11 the Commission Staff, are we ready to start?

12 MS. MAYS: We are, we're waiting on
13 you guys.

14 MS CASE: Please go ahead, Lee
15 should join us in just a minute.

16 MR. KASSMAN: We were waiting for
17 your questions.

18 MS CASE: Oh, are you ready for us?

19 MS. MAYS: Yes.

20 MS CASE: Okay, let me go grab Lee.
21 Thank you.

22 MR. FORDHAM: I apologize for the
23 unavailability here, I thought we were on a
24 break.

25 MS. MAYS: I'm sorry. We had come

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back from the health break.

MR. FORDHAM: Anyway, are we ready?

MS. MAYS: We're ready for you guys.

MR. FORDHAM: Let me see, I've got about 50 pages, let me get them sorted out.

EXAMINATION

BY-MR. FORDHAM:

Q. Hello, Mr. Morillo, Lee Fordham here.

A. How are you, Lee?

Q. Doing well, thanks. Let's start with your Rebuttal Testimony, sir. If you could turn to Page 4, lines 18 through 20, let me know when you are there, please?

A. Yes, sir.

Q. Can you provide us an order number and relevant page numbers where the Commission, "ordered separate nonrecurring charges"?

A. Order number PSC-980604-FOF-TP docket on Page 79.

Q. Okay. Thank you. I appreciate that. Still in your Rebuttal Testimony, if you could, sir, flip over to Page 16.

A. Okay.

Q. Lines 21 through 23.

A. Okay.

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1 Q. Can you give us some detail, sir, on
2 the quote there, "The procedures BellSouth
3 followed in implementing the 120-day Order were
4 the same as used to implement the UNE cost
5 Order"?

6 A. We followed the procedures that were
7 stated on Ms. Blake's testimony, stating that
8 when a State Commission Order requires changes
9 to zone designation for a Wire Center, BellSouth
10 updates its billing system to implement the
11 Commission Order and issues a carrier
12 notification letter informing CLECs of the change
13 to Wire Center designation.

14 Q. Okay. Does BellSouth agree that
15 when rate zone designations are modified, the
16 applicability of the rates may change as well?

17 A. I'm sorry, but I don't --
18 applicability of the rates, meaning that the
19 rates that correspond to a certain zone?

20 Q. Correct. The actual rates could
21 change with rate zone designation changes?

22 A. I believe that has happened in the
23 past, yes. You change rate zones and rates
24 that correspond to the rate zones.

25 Q. Thank you. Still on Page 16 of

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1 your Rebuttal Testimony, lines 18 through 21,
2 why did BellSouth implement the modified rate
3 zone designations prior to negotiating the
4 applicable rates in the form of an amendment to
5 the parties' agreement?

6 A. Our billing systems are not able to
7 have Wire Centers assigned to two different
8 zones. So when we received the Order, we made
9 Wire Center changes, the designation of the Wire
10 Centers first, and then eventually we negotiated
11 the amendment to the alternative operating
12 companies.

13 Q. Okay. What were the rate zone
14 designations based on the parties pre-2003
15 agreement?

16 A. The specific rate zone designations?

17 Q. Yes, sir.

18 A. I would have to look for them. I
19 don't have them in front of me.

20 Q. Would that access be fairly easy for
21 you, sir?

22 A. No, I don't have access to those
23 documents right now.

24 MS. MAYS: I'm sorry, Lee, it's
25 Meredith, I don't understand your question. And

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1 the witness may, but if we need to look for
2 something, we will. I'm just not sure what
3 you're asking. We have all the contracts here.

4 Q. (By Mr. Fordham) Was the basis of
5 the rates based on a Commission Order or
6 negotiations, do you know that, what was the
7 basis for the rate zone designations?

8 A. The old ones?

9 Q. Yes, sir.

10 A. I believe there were Commission
11 Orders from prior dockets.

12 Q. Okay. If you could, sir, refer to
13 your Adopted Direct Testimony on Page 10, lines
14 5 through 7, and let me know when you're there,
15 please?

16 A. Lee, I'm sorry, Page 10?

17 Q. Yes, lines 5 through 7.

18 A. Okay.

19 Q. And can you tell us, please, where
20 in the parties' agreement BellSouth has
21 authorized to implement rate zone redesignations
22 without the need for a contract amendment?

23 A. We make a reference in our rate
24 sheets.

25 Q. Okay.

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1 A. And, I mean, I could read it to you
2 if you want to, or --

3 Q. If you have it handy, sir.

4 A. Yes, I have a rate sheet. There's
5 one row, or line that says, "The zone shown in
6 the sections for stand-alone loops or loops as
7 part of a combination refers to Geographically
8 Deaveraged UNE zones. To view Geographically
9 Deaveraged UNE Zone Designations by Central
10 Office, please refer to web site that we
11 identify there."

12 Q. Okay. That's fine, sir. Can you
13 refer back to your Rebuttal Testimony back on
14 Page 16, that's been a popular page in this
15 deposition, lines 10 and 11?

16 A. Hold on a minute. Page 16, lines
17 10 and 11?

18 Q. Right.

19 A. Yes.

20 Q. Has BellSouth entered into the record
21 documentation showing that it prepared such
22 amendment and offered it to FDN for execution on
23 December 27, 2002?

24 A. I don't know, Lee, whether we
25 entered into the record, but we have done that.

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1 Q. Do you recall whether there was a
2 response in the Discovery relating to that
3 issue?

4 A. I don't believe so.

5 MR. FORDHAM: Okay. I think that's
6 all. If I can have just a minute. Staff has
7 no further questions.

8 MS. MAYS: Okay. I've got a few
9 follow-up questions, if everyone is ready.

10 **EXAMINATION**

11 **BY-MS. MAYS:**

12 Q. Mr. Morillo, you recall FDN asked
13 you some questions about this Florida
14 Commission's 1998 Order, do you recall those
15 questions?

16 A. Some, yes.

17 Q. Do you have an understanding of
18 whether the 1998 proceeding involved more than
19 one CLEC?

20 A. Yes, there were multiple carriers
21 involved in the 1998.

22 Q. Would having multiple carriers
23 involved in a proceeding lead you to conclude
24 that the possibility of migrations between
25 carriers could have been an issue?

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1 A. No.

2 Q. Would you believe that with multiple
3 carriers, that discussing rates, that carriers in
4 that proceeding could have raised issues relating
5 to the migrations of customers?

6 MR. KASSMAN: I'm going to object.
7 It calls for speculation.

8 MS. MAYS: You can answer the
9 question.

10 THE WITNESS: I assume that that was
11 a forum to discuss those topics, yes.

12 Q. (By Ms. Mays) Do you recall that
13 counsel for FDN asked you about the Commission's
14 decision in the 2001 UNE cost proceeding?

15 A. Yes.

16 Q. Do you have an understanding of
17 whether there were multiple carriers involved in
18 that proceeding?

19 A. Yes.

20 Q. Do you have an understanding of any
21 other proceedings in which FDN raised issues or
22 concerns relating to disconnect charges and
23 win-backs?

24 A. Yes.

25 Q. What is your understanding?

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1 A. There was another proceeding that the
2 topic was, let me find the specific name, a key
3 customer proceeding.

4 Q. Do you know whether or not FDN's
5 witness in that proceeding prefiled testimony in
6 which disconnect charges were discussed?

7 A. I don't believe they did.

8 Q. If I were to provide you with a
9 copy of the Direct Testimony of Mr. Gallagher,
10 specifically at Page 7, lines 13 through 15,
11 would that refresh your memory on this topic?

12 A. Sure.

13 Q. Do you have an understanding of
14 whether Mr. Gallagher's Direct Testimony
15 addressed disconnect charges in connection with
16 win-backs?

17 A. Yes, it did.

18 Q. Do you recall questions where counsel
19 for FDN, a series of questions counsel for FDN
20 asked relating to cost causation?

21 A. Today?

22 Q. Today.

23 A. Yes.

24 Q. Counsel for FDN asked you about the
25 difference -- excuse me, let me rephrase that

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1 question.

2 With respect to a UNE loop, what is
3 your understanding of how the principles of cost
4 causation relate to the provisioning of a UNE
5 loop?

6 A. That the CLEC that orders the
7 service of the UNE loop is responsible for
8 activities relating to the UNE loop, in this
9 case installation and disconnection charges.

10 Q. As it relates to the relationship
11 between BellSouth and the CLEC requesting the
12 UNE loop, what is your understanding of who was
13 the cost-causer?

14 A. The CLEC, it would be the
15 cost-causer.

16 Q. With respect to the CLEC's
17 relationship with its end-user customer, is that
18 a separate relationship?

19 A. Yes. That's between the CLEC and
20 the end user that belongs to them, yes.

21 Q. Is it possible that as to the CLEC's
22 own business relationship with this customer,
23 there could be additional cost causation
24 considerations that do not relate directly to
25 the relationship between BellSouth and the CLEC

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1 customer?

2 A. Yes.

3 Q. Do you recall there were some
4 questions from counsel from FDN asking about the
5 UNE rate zones, do you recall those questions?

6 A. Yes.

7 Q. Do you have an understanding that
8 the Commission has established three UNE rate
9 zones?

10 A. Yes.

11 Q. Within a UNE rate zone, do you have
12 an understanding of whether or not there are
13 multiple central offices?

14 A. There are multiple central offices,
15 yes.

16 Q. Are those central offices within the
17 UNE rate zone subject to change by State
18 Commissions?

19 A. Yes.

20 Q. Does BellSouth have any ability to
21 control the State Commission's modification of
22 central offices?

23 A. No.

24 Q. Does BellSouth include specific
25 central offices in its Interconnection

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1 Agreements?

2 A. No.

3 MS. MAYS: Thank you. Those are
4 all the follow-up questions I have. Unless
5 there is anything else, I think we're done.

6 MR. KASSMAN: I don't think so.
7 Just one housekeeping item. Mr. Carey, I
8 believe you should have my contact information
9 from the last round of depositions, so if I can
10 get a copy.

11 MS. MAYS: Thank you. We're hanging
12 up.

13 (WHEREUPON, deposition concluded at
14 11:15 a.m.)
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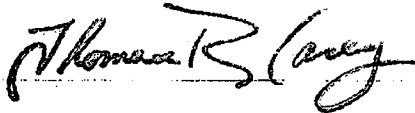
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1 Disclosure Pursuant to Article
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3 Board of Court Reporting of the Judicial
4 Council of Georgia, I make the following
5 disclosure:

6 I am a Georgia Certified Court
7 Reporter, here as a representative of
8 Alexander Gallo & Associates, Inc., to report
9 the foregoing matter. Alexander Gallo &
10 Associates, Inc., is not taking this
11 deposition under any contract that is
12 prohibited by O.C.G.A. 5-14-37 (a) and (b).

13 Alexander Gallo & Associates,
14 Inc., will be charging its usual and
15 customary rates for this transcript.

16
17 
18

19 THOMAS R. CAREY, CCR-B-1715

20 Notary Expires: March 30, 2006
21
22
23
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CAPTION

The Deposition of **Carlos Morillo**,
taken in the matter, on the date, and at the
time and place set out on the title page
hereof.

It was requested that the deposition
be taken by the reporter and that same be
reduced to typewritten form.

It was agreed by and between counsel
and the parties that the Deponent will read
and sign the transcript of said deposition.

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CERTIFICATE

STATE OF _____:

COUNTY/CITY OF _____:

Before me, this day, personally
 appeared, **Carlos Morillo**, who, being duly
 sworn, states that the foregoing transcript
 of his/her Deposition, taken in the matter,
 on the date, and at the time and place set
 out on the title page hereof, constitutes a
 true and accurate transcript of said
 deposition.

Carlos Morillo

SUBSCRIBED and SWORN to before me this
 _____ day of _____, 2004 in the
 jurisdiction aforesaid.

 My Commission Expires _____ Notary Public

☐ No changes made to the Errata Sheet;

therefore, I am returning only this signed,
 notarized certificate.

☐ I am returning this signed, notarized

certificate and Errata Sheet with changes noted.

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DEPOSITION ERRATA SHEET

RE: Alexander Gallo & Associates
 File No. 8521
 Case Caption: In Re: Complaint of FDN Communications
 for Resolution of Certain Billing Disputes, etc.

Deponent: **Carlos Morillo**
 Deposition Date: August 31, 2004

To the Reporter:

I have read the entire transcript of my Deposition taken in the captioned matter or the same has been read to me. I request that the following changes be entered upon the record for the reasons indicated. I have signed my name to the Errata Sheet and the appropriate Certificate and authorize you to attach both to the original transcript.

Page No. ____ Line No. ____ Change to: ____

Reason for change: ____

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Deposition of Carlos Morillo

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Carlos Morillo

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EXHIBIT NO. 8

DOCKET NO.: 030829-TP

WITNESSES: Cynthia A. Clark

PARTY: BellSouth

DESCRIPTION:

1. August 24, 2004, Deposition Transcript, page 1.

PROFFERING PARTY: STAFF

I.D. # CC-D.

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET

NO. 030829-TP EXHIBIT NO. 8

COMPANY/ F.P.S.C. Staff

WITNESS. Clark's Dep. Transcript

DATE

10-06-04

COPY OF TRANSCRIPT

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re:

Complaint of FDN
Communications for
Resolution of Certain
Billing Disputes And
Enforcement of UNE
Orders and Interconnection
Agreements with BellSouth
Telecommunications, Inc.

Docket No. 030829-TP
Filed: August 23, 2004

DEPOSITION OF

CYNTHIA A. CLARK

August 24, 2004
1:35 p.m.

BellSouth Telecommunications
Suite 4300
675 West Peachtree Street
Atlanta, GA 30375

Thomas R. Carey, CCR #: B-1715

2004 SEP -8 PM 4:19
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Deposition of Cynthia A. Clark

August 24, 2004

MR. KASSMAN: This is the deposition of Cynthia A. Clark. If the Court Reporter can swear the witness, please.

CYNTHIA A. CLARK, being first duly sworn, was examined and testified as follows:

EXAMINATION**BY-MR. KASSMAN:**

Q. Good afternoon, Ms. Clark.

A. Good afternoon.

Q. My name is Scott Kassman, I'm an attorney with FDN, and I've got a whole series of questions for you here today. If at any point you need clarification, or you don't understand my question, I'd appreciate it if you'd let me know that. Okay?

A. Yes.

Q. If I don't hear that from you, I'll assume you understood the question?

A. Okay.

Q. I would appreciate it if I ask you a yes or no question if you would respond with a yes or no before you elaborate, understood?

A. Yes.

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1 Q. Thank you. Can you please state
2 your name for the record?

3 A. My name is Cynthia A. Clark.

4 Q. By whom are you employed?

5 A. I'm employed by BellSouth.

6 Q. Can I have your business address,
7 please?

8 A. 2300 North Lake Center, that is in
9 Tucker, Georgia.

10 Q. What is your title, Ms. Clark?

11 A. I'm a Senior Staff Manager.

12 Q. Can you tell me what that entails,
13 what are your responsibilities?

14 A. I'm responsible for managing a group
15 of managers who assist the Dispute Resolution
16 Centers with escalated items.

17 Q. Okay. So does that mean you've got
18 firsthand knowledge of the disputes or those are
19 the people that work for you that have firsthand
20 knowledge?

21 A. I am -- the group that I manage is
22 a support staff, so I have, not the people that
23 work for me, but the people that I support,
24 have firsthand knowledge of the disputes.

25 Q. So it would be fair to say that you

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1 do not have firsthand knowledge of these
2 disputes; is that correct?

3 A. Yes. My knowledge comes from having
4 gathered information from those that do.

5 Q. Okay. Are you the same Cynthia
6 Clark that filed Direct Testimony and
7 Supplemental Direct Testimony in this matter?

8 A. Yes.

9 Q. Okay. If you could please turn to
10 your Supplemental Direct Testimony on Page 2,
11 starting at, I think it's line 14 there. Let
12 me know when you are there?

13 A. I'm there.

14 Q. Can you please read for me what it
15 says on line 14?

16 A. "Q Accounts"?

17 Q. No, above that, I'm sorry, starting
18 with "BellSouth's view."

19 A. "BellSouth's view of FDN's disputes
20 regarding Disconnect Orders is as follows: Q
21 Accounts, \$87,070.48, N Accounts, \$30,468.10,
22 Total, \$117,538.58."

23 Q. Okay. Now, those are the totals as
24 of June 1st when you filed the Supplemental
25 Direct Testimony, is that not correct?

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1 A. That is correct.

2 Q. Have those totals changed at all?

3 A. I expect that they have.

4 Q. Do you know what those totals are as
5 of today?

6 A. No, I don't.

7 Q. Can you please read for me starting
8 at line 20 on that same page?

9 A. "N Accounts, \$74,420.66, Total,
10 \$98,241.22."

11 Q. I'm sorry, did you skip where it
12 says "Q Accounts" there?

13 A. I started on line 20.

14 Q. Okay. Well, maybe my pagination or
15 my numbering is off. If you can again for me,
16 please, read starting with "BellSouth's view"?

17 A. "Bellsouth's view of FDN's disputes
18 regarding UNE Zone Changes is as follows: Q
19 Accounts, \$23,820.46, N Accounts, \$74,420.66,
20 Total, \$98,241.22."

21 Q. And again, those were the numbers as
22 of June 1st when you filed your Supplemental
23 Direct Testimony; is that correct?

24 A. Yes.

25 Q. And again, have you updated, have

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1 you got updated totals with regard to the Zone
2 dispute?

3 A. No, I do not.

4 Q. Can you tell me, Ms. Clark, what
5 methodology you used to arrive at those figures,
6 please?

7 A. Yes. For the Q Account data for
8 both of these claims I used a spreadsheet that
9 was sent to me, that was sent to Betty Elkins,
10 who is one of my staff members, by Florida
11 Digital, where we went in and tried to identify
12 the disputes that Florida Digital had related to
13 these disputes. And for the N Account totals I
14 queried our own system, where we believed we had
15 accurate data reflecting the disputes for Florida
16 Digital.

17 Q. Okay. So let me ask you, in your
18 opinion why did the numbers diverge, why aren't
19 BellSouth totals different from FDN totals with
20 regard to each of these disputes both with
21 regard to the N accounts and with regard to the
22 Q accounts, what accounts for the difference?

23 A. Well, I don't think that there is
24 one simple answer for what the difference could
25 be. The dispute process by nature is a dynamic

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1 process where the customer continues to send
2 disputes, BellSouth continues to resolve
3 disputes, so that number could change. For an
4 ongoing issue, it can change daily. It is very
5 difficult to come to an agreement at any
6 particular point in time because our records
7 don't necessarily have the same information.

8 Q. Okay.

9 A. At the same time I think that there
10 are disputes that BellSouth has denied and would
11 consider closed that Florida Digital does not
12 consider closed, and I would say that would be
13 another reason for those numbers to vary.

14 Q. Is it possible that you may not be,
15 there are some disputes you may not be aware
16 of? You stated today that you don't have
17 firsthand knowledge of the disputes, is that a
18 possibility that there are some disputes that
19 you might not have accounted for in your
20 calculations?

21 A. Yes. I would say that as this
22 issue is resolved there would necessarily need
23 to be a reconciliation so that we make sure
24 that we have identical sets of disputes. It is
25 possible and probable in, you know, the way that

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1 we derived the numbers that there are some
2 discrepancies that we have to reconcile.

3 Q. So it's possible that you've omitted,
4 inadvertently or otherwise, some billing
5 accounts?

6 A. Yes. On the Q Account data I used
7 a spreadsheet that was provided by Florida
8 Digital, two spreadsheets, actually, that were
9 their snap shot of their disputes. We had
10 asked for disputes relating specifically to these
11 two issues so that we could reconcile it with
12 this claim. What was provided was a very
13 complete spreadsheet of all of Florida Digital's
14 disputes, but it was not, they were not
15 identified as to which apply to this claim. So
16 we went into the spreadsheet to try to pick the
17 ones we thought related to the claim, and it's
18 possible that we didn't pick correctly. We were
19 not able to collaborate with Florida Digital to
20 make sure that we had exactly the same disputes
21 that they reflected.

22 Q. Why is it that BellSouth didn't use
23 its own data on the Q Accounts?

24 A. The Q Account data, because we had
25 denied disputes and closed those disputes out,

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1 we don't have the same set of disputes that
2 Florida Digital does. You know, in our view
3 these disputes that are denied are closed.

4 Q. Okay. Let's explore that for a
5 moment. Let's transition here to the issue of
6 late payment charges. As part of you
7 Supplemental Direct Testimony you filed Exhibit
8 CAC-1, which is a CD which contains four
9 spreadsheets?

10 A. Correct.

11 Q. Looking at the spreadsheet entitled,
12 "FDW NNQ, LPC Calculation 2"?

13 A. Right.

14 Q. If you can open that up for me,
15 please.

16 A. I have that open.

17 Q. Okay. Can you explain to me what's
18 reflected on these two spreadsheets here, or two
19 tabs within the spreadsheet?

20 A. Based on the amounts that we showed
21 in dispute we attempted to, to calculate what
22 the late payment charges associated with these
23 disputes would be. In our system disputes, when
24 disputes are registered, late payment charges do
25 not actually accrue, so we tried to estimate the

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1 amount of late payment charges that would be due
2 based on the dispute amount.

3 Q. Let me stop you there. With respect
4 to the Q Accounts, did you just state
5 previously, or is it your testimony now that you
6 closed out those disputes, is that what you said
7 about a minute ago when I asked you a question
8 with regard to the Q Accounts, did you say
9 BellSouth closed those disputes?

10 A. I said that the reason that we would
11 not have the same amount was possibly, was
12 probably the disputes that we had denied had
13 been closed out.

14 Q. Okay. Tell me how you apply the
15 late payment charges, you apply those to
16 disputes that are closed out or you apply them
17 to disputes that are ongoing?

18 A. I'm not sure I understand the
19 question. Would you rephrase that for me?

20 Q. At what point do late payment
21 charges accrue?

22 A. Late payment charges do not accrue
23 on open disputes as long as they are open in
24 our system. If, upon the resolution of a
25 dispute, the dispute is found in favor of the

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1 customer, no late payment charges are applied,
2 and the system would calculate, as we issue the
3 credits the system would not ever apply late
4 payment charges. If, on the other hand, the
5 dispute is found to be invalid, the system
6 calculates and applies late payment charges when
7 we close the dispute.

8 Q. You told me just now that you've
9 closed disputes with regard to the Q Accounts;
10 is that correct?

11 A. That is correct.

12 Q. Have you closed the disputes with
13 regard to the N accounts?

14 A. There may have been some closed
15 along the way, but the majority of the disputes
16 are still open as reflected in the balances and
17 the testimony.

18 Q. Okay. If the majority of those
19 disputes are open, why am I looking at a
20 spreadsheet which says, "FTW, NNQ Late Payment
21 Calculations," why have you included late payment
22 charges for the N Accounts?

23 A. It is an estimation of what the late
24 payment charges would be if BellSouth were to
25 apply late payment charges at the resolution of

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1 this dispute.

2 Q. Okay. Let's stick with this issue
3 of late payment charges for a minute. I'm
4 looking at the tab, again, in the same
5 spreadsheet that's got the number in the lower
6 right-hand corner that says, "\$7,285.62."

7 A. Uh-huh.

8 Q. Do you see that?

9 A. Yes, I do.

10 Q. Can you tell me what that total
11 reflects, please?

12 A. That is -- hold on just a second.
13 That is the sum of all of the numbers in
14 column F.

15 Q. And what is column F?

16 A. I got a new PC. Column F is the
17 late payment charges that would accrue on each
18 invoice.

19 Q. For which dispute, on which account?

20 A. I don't have that information on
21 this spreadsheet.

22 Q. So you can't tell me what this
23 \$7,285.62 relates to?

24 A. I cannot specifically tell you that.

25 Q. Let's move on. You said that that

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1 number reflects the late payment charges for
2 each invoice, is that what you said?

3 A. Yes.

4 Q. So, for example, under the heading
5 of "Bill Dates" where the spreadsheet starts at
6 11/11/2001, that would be the date that
7 BellSouth would have issued a bill to FDN?

8 A. That is correct.

9 Q. And so forth, likewise with the one
10 cell down, the next bill would have been issued
11 12/11/2001, so on and so forth, is that not
12 correct?

13 A. That is correct.

14 Q. Okay. I'm looking at that column,
15 and I'm looking at the date there, and it looks
16 like that BellSouth, generally speaking, issued
17 bills to FDN two, three, sometimes four times a
18 month, is that a fair characterization?

19 A. That is fair.

20 Q. Okay. Let's talk about the column
21 entitled "LPC Contract Rate." If we look at
22 the first row there, and for several rows down,
23 the cells say 1.50 percent; is that correct?

24 A. Yes.

25 Q. Tell me, where does that number

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1 originate from, how did you arrive at that
2 number?

3 A. My understanding is that this is the
4 rate for late payment charges in Florida
5 Digital's Interconnection Agreement.

6 Q. Can you point me to a reference in
7 the Interconnection Agreement where that rate is
8 specified?

9 A. It's in attachment seven of the
10 Interconnection Agreement, section 2.3.

11 Q. Now, what agreement are you looking
12 at, what is the date of that Interconnection
13 Agreement?

14 A. February 5, 2003.

15 Q. You say you're in attachment --

16 A. Seven.

17 Q. Not three?

18 A. Section 2.3, yes.

19 Q. Can you read that section for me,
20 please?

21 A. "If a Party disputes a charge and
22 does not pay such charge by the payment due
23 date, or if a payment or any portion of a
24 payment is received by either Party after the
25 payment due date, or if a payment or any

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1 portion of a payment is received in funds which
2 are not immediately available to the other
3 Party, then a late payment charge and interest,
4 where applicable, shall be assessed. For bills
5 rendered by either Party for payment, the late
6 payment charge for both Parties shall be
7 calculated based on the portion of the payment
8 not received by the payment due date times the
9 late factor as set forth in the following
10 BellSouth tariffs: For services purchased from
11 the GSST, or from the General Subscribers
12 Services Tariff for purposes of resale and for
13 ports and non-designed loops, Section A2 of the
14 General Subscriber Services Tariff; for services
15 purchased from the Private Line Tariff for
16 purposes of resale, Section B2 --" I lost my
17 place. "Section B2 --

18 Q. Of the Private --

19 A. -- of the Private Line Service
20 Tariff; and for network elements and other
21 services and local intersection charges, Section
22 E2 of the Access Service Tariff. The Parties
23 shall assess interest on previously assessed late
24 payment charges only in a state where law
25 permits."

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1 Q. So basically what you're telling me,
2 there's no explicit reference in the agreement
3 itself, correct, you're telling me that that
4 reference is in the tariff?

5 A. I'm telling you, the contract
6 indicates that the reference is the tariff.

7 Q. Okay. Do you happen to have a copy
8 of the tariff in front of you?

9 A. No, I do not.

10 Q. Okay. Now, again, starting at the
11 first row there of the spreadsheet that we've
12 been looking at, what does that first date say
13 there under Bill Date?

14 A. 11/11/2001.

15 Q. Okay. And the provision that you
16 just read from the Interconnection Agreement, can
17 you tell me what date that Interconnection
18 Agreement took effect?

19 A. I don't have it in front of me
20 anymore, but I think it was February of 2003.

21 Q. Okay. If you billed us on
22 11/11/2001 and applied late payment charges at a
23 rate of 1.5 percent, why are you looking at the
24 agreement from 2003?

25 A. What we did was estimate what late

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1 payment charges would be in effect. I am not
2 sure what the Interconnection Agreement prior to
3 this might have said. But generally our
4 Interconnection Agreements would all defer to the
5 tariff rate.

6 Q. Would it surprise you that there's
7 no mention in the billing section of the 1997
8 BellSouth FDN Interconnection Agreement with
9 regard to late payment charges, would that
10 surprise you that there's no reference to either
11 a rate or the tariff?

12 MS. MAYS: I'm just going to object,
13 Scott, to the extent I don't believe the witness
14 had finished her prior answer. I'd like for
15 her to be able to finish her answers before you
16 start the next question.

17 MR. KASSMAN: I'm sorry. Please
18 continue.

19 THE WITNESS: I was just going to
20 emphasize that this was an estimation based on
21 using a consistent interest rate.

22 Q. (By Mr. Kassman) So you're telling
23 me that we really shouldn't trust these numbers,
24 is that a fair characterization?

25 A. No. I am calling them an estimation

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1 of what late payments charges would be applied
2 at the resolution of this dispute.

3 Q. Okay. Let's move on. Bear with me
4 for a moment, please. One more question on
5 that vein. Again, in looking at this spreadsheet
6 that we've been looking at, that 1.5 percent
7 rate stops on 3/11/2003; is that correct?

8 A. Uh-huh.

9 Q. And subsequent to that date there
10 are charges assessed in the amount of \$11.85; is
11 that correct?

12 A. That is correct.

13 Q. Why is that?

14 A. I believe the late payment charge
15 rate changed for this specific type of billing.

16 Q. Why did it change?

17 A. At this point I cannot tell you.

18 Q. Ms. Clark, you told me that you
19 don't have firsthand knowledge of these disputes,
20 and in response to several of my questions you
21 don't have answers. Aren't you BellSouth's
22 expert witness with regard to financial matters
23 in this case?

24 MS. MAYS: I'm going to object to
25 that question. BellSouth has not tendered this

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1 witness as an expert. Subject to the objection
2 the witness can answer.

3 THE WITNESS: Restate that question
4 for me.

5 Q. (By Mr. Kassman) In response to
6 several of my questions you've had either no
7 response or you couldn't tell me how you arrived
8 at certain numbers or what certain numbers were
9 reflected in the spreadsheets that you filed on
10 with your Supplemental Direct Testimony.
11 BellSouth has offered you as their witness with
12 regard to financial matters. You told me also
13 that you don't have firsthand knowledge of these
14 disputes. Isn't it your job as BellSouth's
15 witness to know this information?

16 MS. MAYS: I'm just going to object
17 to the extent that you're trying to characterize
18 the witness' testimony. You can answer.

19 THE WITNESS: I have knowledge of
20 the issues being disputed. I admit and believe
21 that there is reconciliation that needs to be
22 done between the two companies to validate the
23 amounts. Because late payment charges haven't
24 billed, I admit that we estimated late payment
25 charges for the purpose of demonstrating what

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1 they could be.

2 Q. (By Mr. Kassman) Let's move off of
3 the late payment charges. Let's talk about the
4 Q Accounts. We've -- let me back up for a
5 minute.

6 Would you agree, Ms. Clark, that
7 BellSouth has been issuing credits to FDN on the
8 Q Accounts with respect to the Port Back
9 dispute?

10 A. Yes. I believe that some credits
11 have been issued related to the Port Back
12 disputes.

13 Q. Why is that?

14 A. I would have to characterize that as
15 work center error, where the people working the
16 disputes actually made a mistake.

17 Q. You wouldn't characterize that as an
18 admission of guilt on the part of BellSouth that
19 BellSouth has acquiesced to FDN's position?

20 MS. MAYES: I'm going to object to
21 the form of the question. This witness is not
22 a lawyer. Subject to the objection she can
23 attempt to answer.

24 THE WITNESS: No, I would not
25 characterize it that way.

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1 Q. (By Mr. Kassman) Who in your
2 organization made that so-called error?

3 A. BellSouth Accounts Receivable
4 management, which is the organization where the
5 dispute centers reside.

6 Q. Aren't you a part of that
7 organization, Ms. Clark?

8 A. Yes, I am.

9 Q. So are you telling me you are
10 responsible for that error?

11 A. Yes, the organization is responsible
12 for errors.

13 Q. Do you know -- let me back up here.
14 Do you know at what point BellSouth started
15 issuing FDN credit on the Q Accounts?

16 A. No, I don't. I think they have not
17 -- I think they have been sporadically issued
18 over quite a period of time.

19 Q. Quite a period of time. Would you
20 say that they have been issued pretty much since
21 the inception of these disputes?

22 A. Yes, I would say that they have been
23 issued inconsistently over the entire period of
24 the disputes.

25 Q. So essentially going back more than

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1 two years; is that correct?

2 A. That would be correct.

3 Q. So what you're telling me is that an
4 organization within BellSouth, you're a member
5 of, if not personally responsible for this
6 issue, has made an error that they still have
7 not corrected almost three years later; is that
8 correct?

9 A. That appears to be correct.

10 Q. Do you know what percentage of these
11 disputes have been credited, again, with regard
12 to the Q Accounts?

13 A. No, I do not.

14 Q. Well, how would you characterize
15 sporadic?

16 A. Well, I would characterize it as
17 human error, not one hundred percent. Some of
18 the people working the disputes were making the
19 wrong decision, some were making the correct
20 decision, so I would say it was sporadic.

21 Q. I'm sorry, let me rephrase the
22 question.

23 How would you define sporadic, what
24 percentage of the time is sporadic?

25 A. I couldn't define sporadic by giving

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1 you a percentage. I would say that there is
2 human error involved in the work center process.
3 Some people who made those adjustments made them
4 in error. And actually, since FDN's brought it
5 to our attention, I believe there's going to be,
6 you know, some additional work done in the
7 centers to make sure that everybody understands,
8 you know, how to work those disputes.

9 Q. So basically what you're telling me
10 is, again, BellSouth has made another error,
11 can't tell me what the numbers reflect in any
12 of your spreadsheets, and the data that you have
13 provided to us, whether in the form of these
14 spreadsheets or whether in the form of invoices
15 to FDN, are not accurate?

16 MS. MAYS: I'm going to object to
17 the extent it's been asked and answered and also
18 assumes facts not in evidence and tries to
19 characterize the witness' testimony. I don't
20 think you even talked about invoices, Scott.
21 You've talked about something else.

22 MR. KASSMAN: Okay. Let's back up.

23 MS. MAYS: I think you need to try
24 that one again.

25 MR. KASSMAN: Let's try that one

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1 again.

2 Q. (By Mr. Kassman) Ms. Clark, has
3 BellSouth credited, have these credits that we've
4 been discussing for the Q Accounts, to your
5 knowledge have they, in fact, appeared on FDN's
6 invoices as credits?

7 A. My assumption is that they have
8 appeared as adjustments, yes.

9 Q. Okay. So again, in addition to
10 your, these spreadsheets that you provided as
11 part of your testimony, which may or may not be
12 accurate, you're telling me that the invoices
13 which BellSouth has provided to FDN are also
14 inaccurate, is that not correct?

15 MS. MAYS: I'm going to object. I
16 don't believe that's what the witness said.
17 Subject to the objection you may answer.

18 THE WITNESS: That is not what I
19 said. To the extent that errors were made in
20 issuing adjustments that were not due to FDN,
21 those adjustments do appear on FDN's invoices.

22 Q. (By Mr. Kassman) Okay. Let's move
23 on. Can you tell me what -- let me back up.

24 Can you tell me with respect to the
25 Port Back dispute what the USOCs are that

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1 BellSouth bills FDN for?

2 A. It would be the UEAL2 USOC and the
3 PE1P2 USOC.

4 Q. Is there a SOMAN USOC that BellSouth
5 billed to FDN?

6 A. There has been a SOMAN USOC billed
7 to FDN in the past, and I believe that that
8 issue was resolved and BellSouth issued credit
9 for those SOMAN USOCs that were billed
10 inappropriately.

11 Q. SOMEK USOC, has BellSouth billed a
12 SOMEK USOC to FDN with regard to the Port Back
13 dispute?

14 A. That I do not know. However, a
15 SOMEK would be a Service Order charge that was
16 for a Service Order that was issued in a
17 mechanized fashion, so it would be possible that
18 FDN was billed some of those charges.

19 Q. So going back to the SOMAN charge,
20 is it fair to say that BellSouth billed that
21 charge at certain times and certain times it did
22 not?

23 A. Yes.

24 Q. And the times that it did bill for
25 those charges, BellSouth was in error; is that

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1 correct?

2 A. That is correct.

3 Q. Can you tell me, Ms. Clark, what is
4 a Q Account?

5 A. A Q Account is basically an account
6 number format that indicates that the item is
7 billed from either our Cris billing system or
8 our IBS billing system.

9 Q. Does -- is there any relation there
10 to UNE, to a specific UNE that FDN might order?

11 A. In this instance the SL1 loops are
12 billed on Q Accounts.

13 Q. The SL1 loops are what type of
14 loops?

15 A. I believe it's a non-designed loop.

16 Q. Okay. Can you tell me what an N
17 Account is?

18 A. An N Account indicates, again, is a
19 band number format, and it indicates that the
20 billing is driven from our CABS billing system.

21 Q. Again, is there a type of UNE that
22 is associated with an N Account?

23 A. Yes, I believe that's the SL2 loop.

24 Q. Which is what type of loop?

25 A. Which is a designed loop.

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1 Q. What demonstrates a designed and a
2 non-designed loop, Ms. Clark?

3 A. I am sorry to say that I do not
4 know the technical difference between those two
5 loops.

6 Q. Okay. Bear with me for a moment,
7 please. Let's shift gears and go back to the
8 spreadsheet that we discussed earlier reflecting
9 the late payment charges, the estimated late
10 payment charges, excuse me.

11 A. Okay.

12 Q. Again, we talked a few moments ago
13 about the various bill dates that appear, and I
14 think you mentioned previously that you agree
15 with me that BellSouth on occasion issues three
16 or four bills a month; is that correct?

17 A. That's correct.

18 Q. Do you recall that conversation?

19 A. Yes.

20 Q. If BellSouth is applying the contract
21 rate correctly, and assuming the contract rate
22 is 1.5 percent, and BellSouth bills FDN, let's
23 say three times within one month, would it be
24 fair to say that BellSouth is assessing a late
25 payment charge there of 4.5 percent per month?

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1 A. No.

2 Q. Why is that?

3 A. Well, generally I would say BellSouth
4 doesn't manually calculate the late payment
5 charges, and we calculate payment, the billing
6 systems calculate the late payment charges based
7 on the provisions in the tariff references that
8 are in the contract. Late payment charge on
9 what we bill on one bill cycle is not
10 compounding the late payment charge for what we
11 bill on a second, on a different bill cycle.
12 So I'm not sure that I'm following your logic
13 that gets us to 4 percent or so.

14 Q. Well, let me ask you then, I'm
15 looking at the spreadsheet that we've been
16 talking about that you've got in front of you,
17 there are two tabs there, I guess, two separate
18 documents within that spreadsheet, and I'm
19 looking at the one that says, "Grand Total" on
20 the second page, I've got a printout, it says
21 "\$104,888.76," do you see that? All the way at
22 the bottom, bottom left.

23 A. Right.

24 Q. What does that number reflect?

25 A. That would be the total amount of

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1 money in this estimation that Florida Digital
2 has withheld and not paid.

3 Q. Okay. Now, all the way to the
4 right in that same row, there's a number there
5 that says, "\$49,934.11," do you see that?

6 A. Yes.

7 Q. What does that reflect?

8 A. That would reflect the calculation of
9 the late payment charge, the percent that's
10 reflected, or the amount that is reflected in
11 column F, and just the addition of what they
12 withheld plus the late payment charge from the
13 month before.

14 Q. So is it fair to say that the late
15 total on the late payment charges is roughly
16 half, roughly 50 percent of the total amount in
17 dispute?

18 A. In this illustration, that's correct.

19 Q. You've just told me, haven't you,
20 Ms. Clark, that the late payment charges aren't
21 cumulative. If that's so, how did we arrive at
22 50 percent of the total amount of dispute?

23 A. Well, they are not cumulative one
24 billing account to the next, but the same
25 billing account will accumulate late payment

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1 charges, and the rolling balance is what
2 accumulates the next late payment charge.

3 Q. So are you saying FDN is being
4 charged late payment charges on top of late
5 payment charges?

6 A. At this point this spreadsheet is an
7 illustration of late payment charges in an
8 estimation. At this point, if this money is
9 truly in dispute, Florida Digital hasn't been
10 assessed late payment charges.

11 Q. Okay. If Florida Digital were to be
12 assessed late payment charges, are you saying
13 those late payment charges are late payment
14 charges on top of late payment charges?

15 A. As is in the provision in the
16 Interconnection Agreement, yes, the late payment
17 charge becomes part of the past due balance, and
18 a late payment charge will be rendered on the
19 past due balance.

20 Q. Wouldn't that assume that the rolling
21 balance is all related to this dispute?

22 A. Well, that assumption, yes, and that
23 is why this is an estimation. Because we are
24 certainly not in agreement, as is demonstrated
25 in our testimony, we're not in agreement on the

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1 amount in dispute, so it would be very
2 difficult, impossible to come up with an
3 accurate amount related to this dispute for the
4 late payment charges.

5 Q. Bear with me for one second, please.
6 Again, I'm sorry, Ms. Clark, refresh my
7 recollection here, was it your testimony today
8 that you're not familiar with what your tariff
9 says with regard to late payment charges?

10 A. No, I am not -- I cannot quote the
11 tariff.

12 Q. So you don't know, then, whether the
13 tariff allows you to charge late payment charges
14 on top of late payment charges; is that correct?

15 MS. MAYS: I'm going to object. I
16 believe it's been asked and answered.

17 MR. KASSMAN: Okay. I'll move on.

18 Q. (By Mr. Kassman) I'd like to
19 explore a little bit more the issue of the
20 erroneous, so-called erroneous credits on the Q
21 Accounts.

22 A. Okay.

23 Q. You've told us today that BellSouth
24 made that decision in error, correct?

25 MS. MAYS: I'm sorry, Scott, I'm

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1 going to have to ask for -- objection to the
2 extent it's vague. I'm not sure, when you say,
3 "made a decision."

4 Q. (By Mr. Kassman) BellSouth made the
5 decision to credit FDN on the Q Account in
6 error, is that your testimony today, Ms. Clark?

7 A. My testimony is, that in the dispute
8 center that some errors were made and credits
9 were issued erroneously, yes.

10 Q. When did you realize that that error
11 was made?

12 A. I became personally aware of it
13 during the course of this particular exercise in
14 testimony.

15 Q. You mean today?

16 A. No. Actually in Sharon Warren's
17 Rebuttal Testimony she provided some figures that
18 helped us to come to realize that error.

19 Q. Now, how do you, in fact, determine
20 that that's an error, what's the criteria there
21 that you use to judge whether it's an error or
22 it's being billed correctly.

23 A. I would say there's more work to be
24 done to evaluate those disputes at a detailed
25 level, but the disputes relating to disconnects

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1 on the SL1 loops that were refunded for that
2 reason, because the service rep who works the
3 dispute believed that the credit was due was an
4 error, and we'll have to go back and evaluate
5 those particular errors. If there were other
6 disputes in there where there was a disconnect
7 that was refunded for a different reason, those
8 may not have been an error. But, again, that's
9 detailed research that has to be done.

10 Q. Tell me a little bit about how that
11 process works, how much responsibility does a
12 BellSouth employee who would issue a credit
13 have, did they, in fact -- let me back up.
14 I'm sorry. Let me rephrase.

15 The person who would have been in
16 charge of issuing these credits to FDN, were
17 they authorized to do that?

18 A. Yes.

19 Q. And do they have that authority, is
20 that authority part of their responsibilities,
21 did they have the independent authority to do
22 that?

23 A. The service reps are responsible for
24 dispute evaluation, and they are responsible for
25 the decision to deny or credit, yes.

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1 Q. So they don't need supervisory-level
2 approval for that?

3 A. No.

4 Q. Okay. One moment, please. Ms.
5 Clark, the credits on the Q Accounts that we've
6 been talking about, would those have been issued
7 by one BellSouth representative or several
8 different BellSouth representatives?

9 A. That I don't know. That's part of
10 the analysis that still needs to be done.

11 Q. Okay. Let me toss out a
12 hypothetical. If, in fact, these credits were
13 issued by several different BellSouth
14 representatives, whom you've already told me do
15 not need supervisory-level approval to issue
16 those credits, wouldn't that seem to indicate to
17 you that those credits were not issued in error,
18 if, let's say five, six, seven, eight, nine, ten
19 different employees came to the same conclusion?

20 A. No. It would indicate to me that
21 perhaps, whatever number of people that looked
22 at those disputes, did not understand the
23 guidelines appropriately.

24 Q. So again, continuing along that line
25 with that hypothetical, let's say five BellSouth

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1 representatives, different representatives issued
2 credits, would you call that, would you
3 characterize that as sporadic?

4 A. Yes.

5 Q. Ms. Clark, do you have some internal
6 guideline, perhaps a methods and procedures
7 manual by which your representatives operate when
8 they are issuing credits or denying credits?

9 A. Yes.

10 Q. Does that methods and procedures
11 manual cover the dispute at issue here, is there
12 anything in there having bearing on this
13 dispute?

14 A. There are guidelines for disconnect
15 disputes. I would say those guidelines were
16 confusing, and I would say that they probably
17 caused people to make the wrong judgment.

18 Q. Okay. So in addition to making the
19 wrong judgment, BellSouth's own internal policies
20 are unclear?

21 MS. MAYS: I'm going to object.
22 That's not what the witness stated.

23 MR. KASSMAN: I'll let that go.
24 That's fine. One moment, please.

25 Q. (By Mr. Kassman) I think I've got

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1 one more question for you, Ms. Clark, with
2 regard to those internal guidelines that we just
3 discussed. Can you tell me who develops those
4 guidelines for BellSouth?

5 A. On these particular guidelines I
6 would say the product managers develop the
7 guidelines for different products and then those
8 guidelines are incorporated into our service
9 representatives work instructions.

10 Q. Do attorneys have input into those
11 guidelines?

12 A. Generally not.

13 Q. So BellSouth doesn't run these
14 guidelines past their attorneys to ensure that
15 they are in compliance with the law?

16 MS. MAYS: I'm going to object.
17 The question has been asked and answered.

18 MR. KASSMAN: Okay. I think that's
19 all that we've got here, Ms. Clark. I thank
20 you.

21 THE WITNESS: Thank you.

22 MS. MAYS: Lee, do you have any
23 questions?

24 MR. FORDHAM: I have just a couple.

25 ///

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EXAMINATION

BY-MR. FORDHAM:

Q. I assume that the parties have been attempting to negotiate the outstanding balance amounts for each of the accounts in dispute; is that correct?

MS. MAYS: I'm sorry, Lee, are you asking the witness or are you asking just off the record?

MR. FORDHAM: Well, actually I'm asking the witness if the witness knows.

THE WITNESS: I know that there are ongoing discussions in trying to reconcile total outstanding disputes with Florida Digital and that our centers are talking, the dispute center personnel working with Florida Digital personnel. On these particular issues, I cannot say that we still have had a conversation on trying to reconciling these particular amounts.

Q. (By Mr. Fordham) Okay. Ms. Clark, do you have access there to the Rebuttal Testimony of Mr. Warren?

A. Yes.

Q. You may not need to actually reference it, but I'll be referring to his

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1 testimony on Page 29.

2 MR. KASSMAN: If I can interject,
3 Lee, it's Ms. Warren.

4 MR. FORDHAM: Ms. Warren, excuse me.

5 THE WITNESS: Okay.

6 Q. (By Mr. Fordham) Line 16 and 17 on
7 Page 29, does BellSouth believe that the N Power
8 Bands are relevant to the reconciliation of the
9 Q and N Accounts and the disconnect and UNE
10 Zone disputes in this docket?

11 A. Yes, I would say if they are
12 reflected in Florida Digital's figures, then
13 they're certainly relevant to the reconciliation.

14 Q. Do you know whether they are?

15 A. I do not know to what extent Florida
16 Digital believes we might have overlooked some
17 of the N Power Band. I don't have that
18 information. I do have a couple of spreadsheets
19 that were sent to us from Florida Digital that
20 were represented, I believe, as all of the
21 disputes that they had. So that's the basis
22 that I used to come up with what we thought
23 was in dispute, and we used those spreadsheets
24 to go in and read the disputed comments and
25 pick the ones that we thought were related to

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1 these particular issues. It is entirely
2 possible that we didn't pick and choose right on
3 that expedition. But, again, that's something
4 that we need to do in a cooperative
5 reconciliation where Florida Digital directs us
6 specifically to the disputes that they believe
7 are not included.

8 MR. FORDHAM: We don't have any
9 other questions.

10 MS. MAYS: I don't have any
11 questions either.

12 (WHEREUPON, deposition concluded at
13 2:30 p.m.)
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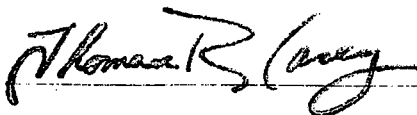
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CAPTION

The Deposition of **Cynthia A. Clark**,
taken in the matter, on the date, and at the
time and place set out on the title page
hereof..

It was requested that the deposition
be taken by the reporter and that same be
reduced to typewritten form.

It was agreed by and between counsel
and the parties that the Deponent will read
and sign the transcript of said deposition.

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CERTIFICATE

STATE OF _____:

COUNTY/CITY OF _____:

Before me, this day, personally
 appeared, **Cynthia A. Clark**, who, being duly
 sworn, states that the foregoing transcript
 of his/her Deposition, taken in the matter,
 on the date, and at the time and place set
 out on the title page hereof, constitutes a
 true and accurate transcript of said
 deposition.

Cynthia A. Clark

SUBSCRIBED and SWORN to before me this
 _____ day of _____, 2004 in the
 jurisdiction aforesaid.

 My Commission Expires Notary Public

☐ No changes made to the Errata Sheet;

therefore, I am returning only this signed,
 notarized certificate.

☐ I am returning this signed, notarized

certificate and Errata Sheet with changes noted.

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DEPOSITION ERRATA SHEET

RE: Alexander Gallo & Associates
 File No. 8521
 Case Caption: In Re: Complaint of FDN Communications
 for Resolution of Certain Billing Disputes, etc.

Deponent: **Cynthia A. Clark**
 Deposition Date: August 25, 2004

To the Reporter:

I have read the entire transcript of my Deposition taken in the captioned matter or the same has been read to me. I request that the following changes be entered upon the record for the reasons indicated. I have signed my name to the Errata Sheet and the appropriate Certificate and authorize you to attach both to the original transcript.

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Deposition of Cynthia A. Clark

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Curriculum Vitae
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I am an economist and consultant, specializing in public utility regulation. In this capacity, I have provided consulting services in the major telecommunications markets of the United States, such as New York, Texas, Illinois, Michigan, Tennessee, Georgia, and in a variety of smaller states. My consulting activities focus mostly on telecommunications regulation. Specifically, I work with large corporate clients, such as MCIWorldCom, AT&T, AT&T Wireless, and a variety of smaller competitive local exchange carriers and PCS providers. I have represented these clients before state and federal regulatory agencies in various proceedings concerning the introduction of competition in telecommunications markets. Recently, these proceedings focus largely on the implementation of the pro-competition provisions of Telecommunications Act of 1996.

Professional experience:

My professional background includes work experiences in private industry and state government. I have worked for MCI Telecommunications Corporation (AMCI@) as a senior economist. At MCI, I provided expert witness testimony and conducted economic analyses for internal purposes. Prior to joining MCI in early 1995, I worked for Teleport Communications Group, Inc. (ATCG@), as a Manager in the Regulatory and External Affairs Division. In this capacity, I testified on behalf of TCG in proceedings concerning local exchange competition issues. From 1986 until early 1994, I was employed as an economist by the Public Utility Commission of Texas (APUCT@) where I worked on a variety of electric power and telecommunications issues. During my last year at the PUCT I held the position of chief economist. Prior to joining the PUCT, I taught undergraduate courses in economics as an Assistant Instructor at the University of Texas from 1984 to 1986.

Education:

I received a Ph.D. in Economics from the University of Texas at Austin in 1992, an M.A. in Economics from the University of Texas at Austin in 1987, and a B.A. in Economics from Quincy College, Illinois, in 1982.

EXHIBIT _____ AHA-1

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WITNESS. CV of Dr. August H. Ankum
DATE 10-06-04

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PROCEEDINGS IN WHICH DR. ANKUM HAS FILED EXPERT WITNESS TESTIMONY:

New York

Commission Investigation into Resale, Universal Service and Link and Port Pricing, New York Public Service Commission, Case Nos. 95-C-0657, 94-C-0095, and 91-C-1174, July 4, 1996. On behalf of MCI Telecommunications Corporation.

In the Matter of Proceeding on Motion of the Commission To Reexamine Reciprocal Compensation, New York Public Service Commission, Case 99-C-0529. Direct Testimony, July 1999. On Behalf Of Cablevision LightPath, Inc.

Proceeding on the Motion of the Commission To Examine New York Telephone Company's Rates for Unbundled Network Elements, New York Public Service Commission, Case 98-C-1357. Direct Testimony, October 1999. On behalf of Corecomm New York, Inc.

Proceeding on Motion of the Commission to Examine New York Telephone Company's Rates for Unbundled Network Elements, New York Public Service Commission Case 98-C-1357, Direct Testimony, June 2000, on behalf of MCIWorldCom.

California

Joint Application of AT&T Communications of California, Inc. (U 5002 C) and WorldCom, Inc. for the Commission to Reexamine the Recurring Costs and Prices of Unbundled Switching in Its First Annual Review of Unbundled Network Element Costs Pursuant to Ordering Paragraph 11 of D.99-11-050. Consolidated dockets. Reply testimony, February 2003. On behalf of ATT and MCI.

Connecticut

DPUC Investigation of Intrastate Carrier Access Charges, Docket No. 02-05-17. Rebuttal testimony, June 2003. On behalf of AT&T and MCI.

Florida

Investigation into Pricing of Unbundled Network Elements, Docket No. 990649B-TP. January, 2002. Filed on behalf of AT&T Communications of the Southern States, Inc. MCImetro Access Transmission Services, LLC & MCI WorldCom Communications, Inc. Florida Digital Network, Inc. (collectively called the "ALEC Coalition").

New Jersey

Petition of Focal Communications Corporation of New Jersey For Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement with Bell Atlantic – New Jersey Board of Public Utilities, May 2000. On behalf of Focal Communications Corporation of New Jersey.

I/M/O the Board's Review of Unbundled Network Elements Rates, Terms and Conditions of Bell Atlantic-New Jersey, Inc. New Jersey Board of Public Utilities, Docket No. TO00060356. 2000. On behalf of WorldCom, Inc.

Delaware

Petition of Focal Communications Corporation of Pennsylvania For Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement with Bell Atlantic – Delaware, Inc. Delaware Public Service Commission, PSC Docket No. 00-025. Direct Testimony, May 2000. On behalf of Focal Communications Corporation of Pennsylvania.

Texas

Petition of The General Counsel for an Evidentiary Proceeding to Determine Market Dominance, PUC of Texas, Docket No. 7790, Direct Testimony, June 1988. On behalf of the Public Utility Commission of Texas.

Application of Southwestern Bell Telephone Company for Revisions to the Customer Specific Pricing Plan Tariff, PUC of Texas, Docket No. 8665, Direct Testimony, July 1989. On behalf of the Public Utility Commission of Texas.

Application of Southwestern Bell Telephone Company to Amend its Existing Customer Specific Pricing Plan Tariff: As it Relates to Local Exchange Access through Integrated Voice/Data Multiplexers, PUC of Texas, Docket No. 8478, Direct Testimony, August 1989. On behalf of the Public Utility Commission of Texas.

Application of Southwestern Bell Telephone Company to Provide Custom Service to Specific Customers, PUC of Texas, Docket No. 8672, Direct Testimony, September 1989. On behalf of the Public Utility Commission of Texas.

Inquiry of the General Counsel into the Reasonableness of the Rates and Services of Southwestern Bell Telephone Company, PUC of Texas, Docket No. 8585, Direct Testimony, November 1989. On behalf of the Public Utility Commission of Texas.

Southwestern Bell Telephone Company Application to Declare the Service Market for CO LAN Service to be Subject to Significant Competition, PUC of Texas, Docket No. 9301, Direct Testimony, June 1990. On behalf of the Public Utility Commission of Texas.

Petition of Southwestern Bell Telephone Company for Authority to Change Rates, PUC of Texas, Docket No. 10382, Direct Testimony, September 1991. On behalf of the Public Utility Commission of Texas.

Application of Southwestern Bell Telephone Company, GTE Southwest, Inc., and Contel of Texas,

Inc. For Approval of Flat-rated Local Exchange Resale Tariffs Pursuant to PURA 1995 Section 3.2532, Public Utility Commission of Texas, Docket No. 14658, January 24, 1996. On behalf of Office of Public Utility Counsel of Texas.

Application of Southwestern Bell Telephone Company, GTE Southwest, Inc., and Contel of Texas, Inc. For Interim Number Portability Pursuant to Section 3.455 of the Public Utility Regulatory Act, Public Utility Commission of Texas, Docket No. 14658, March 22, 1996. On behalf of Office of Public Utility Counsel of Texas.

Application of AT&T Communications for Compulsory Arbitration to Establish an Interconnection Agreement Between AT&T and Southwestern Bell Telephone Company, and Petition of MCI for Arbitration under the FTA96, Public Utility Commission of Texas, Consl. Docket Nos. 16226 and 16285. September 15, 1997. On behalf of AT&T and MCI.

Proceeding to examine reciprocal compensation pursuant to section 252 of the Federal Telecommunications of 1996, Public Utility Commission of Texas, Docket No. 21982. May 2000. On behalf of Taylor Communications.

Proceeding on Cost Issues Severed from PUC Docket 24542, Docket No. 25834. Direct and Rebuttal Testimony. 2002. On behalf of AT&T and MCIMetro.

Iowa

US West Communications, Inc., Iowa Department of Commerce – Utilities Board, Docket No: RPU – 00 – 01. Direct Testimony, July 2000. On behalf of McLeodUSA.

Illinois

Adoption of Rules on Line-Side Interconnection and Reciprocal Interconnection, Illinois Commerce Commission, Docket No. 94-0048. September 30, 1994. On behalf of Teleport Communications Group, Inc.

Proposed Introduction of a Trial of Ameritech's Customer First Plan in Illinois, Illinois Commerce Commission, Docket No. 94-0096. September 30, 1994. On behalf of Teleport Communications Group, Inc.

Addendum to Proposed Introduction of a Trial of Ameritech's Customer First Plan in Illinois, Illinois Commerce Commission, Docket No. 94-0117. September 30, 1994. On behalf of Teleport Communications Group, Inc.

AT&T's Petition for an Investigation and Order Establishing Conditions Necessary to Permit Effective Exchange Competition to the Extent Feasible in Areas Served by Illinois Bell Telephone Company, Illinois Commerce Commission, Docket No. 94-0146. September 30, 1994. On behalf of Teleport Communications Group, Inc.

Proposed Reclassification of Bands B and C Business Usage and Business Operator Assistance/Credit Surcharges to Competitive Status, Illinois Commerce Commission, Docket No.

95-0315, May 19, 1995. On behalf of MCI Telecommunications Corporation.

Investigation Into Amending the Physical Collocation Requirements of 83 Ill. Adm. Code 790, Illinois Commerce Commission, Docket 94-480, July 13, 1995. On behalf of MCI Telecommunications Corporation.

Petition for a Total Local Exchange Wholesale Tariff from Illinois Bell Telephone Company d/b/a Ameritech Illinois and Central Telephone Company Pursuant to Section 13-505.5 of the Illinois Public Utilities Act, Illinois Commerce Commission, Docket No. 95-0458, December 1995. On behalf of MCI Telecommunications Corporation.

Citation to Investigate Illinois Bell Telephone Company=s Rates, Rules and regulations For its Unbundled Network Component Elements, Local Transport Facilities, and End office Integration Services, Illinois Commerce Commission, Docket No. 95-0296, January 4, 1996. On behalf of MCI Telecommunications Corporation.

In the Matter of MCI Telecommunications Corporation Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish and Interconnection Agreement with Illinois Bell Telephone Company d/b/a Ameritech Illinois, Illinois Commerce Commission, Docket No. 96-AB-006, October, 1996. On behalf of MCI Telecommunications Corporation.

In the Matter of MCI Telecommunications Corporation Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish and Interconnection Agreement with Central Telephone Company of Illinois (ASprint@), Illinois Commerce Commission, Docket No. 96-AB-007, January, 1997. On behalf of MCI Telecommunications Corporation.

Investigation into forward looking cost studies and rates of Ameritech Illinois for interconnection, network elements, transport and termination of traffic. Illinois Commerce Commission, Docket No. 96-0486, February, 1997. On behalf of MCI Telecommunications Corporation.

Phase II of Ameritech Illinois TELRIC proceeding. Illinois Commerce Commission Docket No. 98-0396, May 2000. On behalf of MCIWorldCom.

Illinois Commerce Commission On its Motion vs Illinois Bell Telephone Company Investigation into Tariff Providing Unbundled Local Switching with Shared Transport, Illinois Commerce Commission, Docket No. 00- 0700. October 2001. On behalf of AT&T Communications of Illinois, Inc. and WorldCom, Inc.

Massachusetts

NYNEX/MCI Arbitration, Common Wealth of Massachusetts, Department of Public Utilities, D.P.U. 96-83, October 1996. On behalf of MCI Telecommunications Corporation.

Investigation into Pricing based on TELRIC for Unbundled Network Elements and Combinations of

Unbundled Networks Elements and the Appropriate Avoided Cost Discount for Verizon New England, Inc. d/b/a Verizon Massachusetts' Resale Services. Massachusetts Department of Energy and Transportation, Docket 01-20. On behalf Allegiance, Network Plus, Inc., El Paso Networks, LLC, and Covad Communications Company. July 2001.

Investigation by the Department of Telecommunications and Energy on its own Motion into the Appropriate Regulatory Plan to succeed Price Cap Regulation for Verizon New England, Inc. d/b/a Verizon Massachusetts' intrastate retail telecommunications services in the Commonwealth of Massachusetts. Massachusetts Department of Energy and Transportation, Docket 01-03. On behalf of Network Plus, Inc., August 2001.

New Mexico

Brooks Fiber Communications of New Mexico, Inc. Petition for Arbitration, New Mexico State Corporation Commission, Docket No. 96-307-TC, December, 1996. On behalf of Brooks Fiber Communications of New Mexico, Inc.

In the matter of the consideration of costing and pricing rules for OSS, collocation, shared transport, non-recurring charges, spot frames, combination of network elements and switching. Direct testimony, September 16, 2002. On behalf of the Commission Staff.

Minnesota

In Re Commission Investigation Of Qwest's Pricing Of Certain Unbundled Network Elements, PUC Docket No. P-442, 421, 3012 /M-01-1916. Rebuttal testimony, April, 2002. on behalf of Otter Tail Telecom, Val-Ed Joint Venture D/B/A 702 Communications, McCleoudUSA, Eschelon Telecommunications, USLink.

Michigan

In the Matter of the Application of City Signal, Inc. for an Order Establishing and Approving Interconnection Arrangements with Michigan Bell Telephone Company, Michigan Public Service Commission, Case No. U-10647, October 12, 1994. On behalf of Teleport Communications Group, Inc.

In the Matter, on the Commission=s Own Motion, to Establish Permanent Interconnection Arrangements Between Basic Local Exchange Providers, Michigan Public Service Commission, Case No. U-10860, July 24, 1995. On behalf of MCI Telecommunications Corporation.

In the Matter, on the Commission=s Own Motion, to consider the total service long run incremental costs and to determine the prices for unbundled network elements, interconnection services, resold services, and basic local exchange services for Ameritech Michigan, Michigan Public Service Commission, Case No. U-11280, March 31, 1997. On behalf of MCI Telecommunications

Corporation.

In the matter of the application under Section 310(2) and 204, and the complaint under Section 205(2) and 203, of MCI Telecommunications Corporation against AMERITECH requesting a reduction in intrastate switched access charges, Case No. U-11366. April, 1997. On behalf of MCI Telecommunications Corporation.

Ohio

In the Matter of MCI Telecommunications Corporation Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish and Interconnection Agreement with Ameritech Ohio, The Public Utilities Commission of Ohio, Case No. 96-888-TP-ARB, October, 1996. On behalf of MCI Telecommunications Corporation.

In the matter of the review of Ameritech Ohio's economic costs for interconnection, unbundled network elements, and reciprocal compensation for transport and termination of local telecommunications traffic, The Public Utilities Commission of Ohio, Case No. 96-922-TP-UNC, Jan 17, 1997. On behalf of MCI Telecommunications Corporation.

In the Matter of the Review of Ameritech Ohio's Economic Costs for Interconnection, Unbundled Network Elements, and Reciprocal Compensation for Transport and Termination of Local Telecommunications Traffic. Case No. 96-922-TP-UNC and In the Matter of the Application of Ameritech Ohio for Approval of Carrier to Carrier Tariff. Case No. 00-1368-TP-ATA. Ohio Public Utilities Commission. Direct Testimony, October 2000. On behalf of MCIWorldCom and ATT of the Central Region.

Indiana

In the matter of the Petition of MCI Telecommunications Corporation for the Commission to Modify its Existing Certificate of Public Convenience and Necessity and to Authorize the Petitioner to Provide certain Centrex-like Intra-Exchange Services in the Indianapolis LATA Pursuant to I.C. 8-1-2-88, and to Decline the Exercise in Part of its Jurisdiction over Petitioner's Provision of such Service, Pursuant to I.C. 8-1-2.6., Indiana Regulatory Commission, Cause No. 39948, March 20, 1995. On behalf of MCI Telecommunications Corporation.

In the matter of the Petition of Indiana Bell Telephone company, Inc. For Authorization to Apply a Customer Specific Offering Tariff to Provide the Business Exchange Services Portion of Centrex and PBX Trunking Services and for the Commission to Decline to Exercise in Part Jurisdiction over the Petitioner's Provision of such Services, Pursuant to I.C. 8-1-2.6, Indiana regulatory Commission, Cause No. 40178, October 1995. On behalf of MCI Telecommunications Corporation.

MCI Telecommunications Corporation Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish and Interconnection Agreement with Indiana Bell

Telephone Company d/b/a Ameritech Indiana, Indiana Public Utility Regulatory Commission, Cause No. 40603-INT-01, October 1996. On behalf of MCI Telecommunications Corporation.

In the matter of the Commission Investigation and Generic Proceeding on Ameritech Indiana=s Rates for Interconnection Service, Unbundled Elements and Transport and Termination under the Telecommunications Act of 1996 and Related Indiana Statutes, Indiana Public Utility Regulatory Commission, Cause No. 40611. April 18, 1997. On behalf of MCI Telecommunications Corporation.

In the Matter of the Commission Investigation and Generic Proceeding on GTE=s Rates for Interconnection, Service, Unbundled Elements, and Transport under the FTA 96 and related Indiana Statutes, Indiana Public Utility Regulatory Commission, Cause No. 40618. October 10, 1997. On behalf of MCI Telecommunication Corporation.

In the matter of the Commission Investigation and Generic proceeding on the Ameritech Indiana's rates for Interconnection, Unbundled Elements, and Transport and Termination Under the Telecommunications Act of 1996 and Related Indiana Statutes, Indiana Utility Regulatory Commission, Cause No. 40611-S1. October 2001. On behalf of WorldCom, Inc., AT&T Communications of Indiana, G.P.

Rhode Island

Comprehensive Review of Intrastate Telecommunications Competition, State of Rhode Island and Providence Plantations Public Utilities Commission, Docket No. 2252, November, 1995. On behalf of MCI Telecommunications Corporation.

Utah

In the Matter of the Determination of the Costs Investigation of the Unbundled Loop of Qwest Corporation, Inc., Docket No. 01-049-85. Rebuttal testimony, August 16, 2002. On behalf of AT&T and WorldCom.

Vermont

Investigation into NET's tariff filing re: Open Network Architecture, including the Unbundling of NET=s Network, Expanded Interconnection, and Intelligent Networks, Vermont Public Service Board, Docket No. 5713, June 8, 1995. On behalf of MCI Telecommunications Corporation.

Wisconsin

Investigation of the Appropriate Standards to Promote Effective Competition in the Local Exchange

Telecommunications Market in Wisconsin, Public Service Commission of Wisconsin, Cause No. 05-TI-138, November, 1995. On behalf of MCI Telecommunications Corporation.

Matters relating to the satisfaction of conditions for offering interLATA services (Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin) Wisconsin Public Service Commission, 670-TI-120, March 25, 1997. On behalf of MCI Telecommunications Corporation.

In the Matter of MCI Telecommunications Corporation Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement with Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin, Wisconsin Public Service Commission, Docket Nos. 6720-MA-104 and 3258-MA-101. On behalf of MCI Telecommunications Corporation.

Investigation Into The Establishment of Cost-Related Zones For Unbundled Network Elements, Docket No. 05-TI-349. Rebuttal Testimony, September 2000. On behalf of AT&T Communications of Wisconsin, McLEODUSA Telecommunications Services, Inc., TDS MetroCom, Inc., and Time Warner Telecom.

Investigation into Ameritech Wisconsin's Unbundled Network Elements, PSC of Wisconsin, Docket No. 6720-TI-161, Direct and Rebuttal testimony, 2001. On Behalf Of AT&T Communications of Wisconsin, Inc., WorldCom, Inc., Rhythms Links, Inc., KMC Telecom, Inc., and McLeodUSA ("CLEC Coalition")

Pennsylvania

In Re: Formal Investigation to Examine Updated Universal Service Principles and Policies for telecommunications Services in the Commonwealth Interlocutory order, Initiation of Oral Hearing Phase, Pennsylvania Public Utility Commission, Docket No. I-00940035, February 28, 1996. On behalf of MCI Telecommunications Corporation.

Structural Separation of Verizon, Pennsylvania Public Utility Commission - Docket No. M-0001352. Direct Testimony, October, 2000. On behalf of MCI WorldCom.

Georgia

AT&T Petition for the Commission to Establish Resale Rules, Rates and terms and Conditions and the Initial Unbundling of Services, Georgia Public Service Commission, Docket No. 6352-U, March 22, 1996. On behalf of MCI Telecommunications Corporation.

Tennessee

Avoidable Costs of Providing Bundled Services for Resale by Local Exchange Telephone Companies, Tennessee Public Service Commission, Docket No. 96-00067, May 31, 1996. On behalf of MCI Telecommunications Corporation.

Commonwealth of Puerto Rico

Petition for Arbitration Pursuant to 47 U.S.C. & (b) and the Puerto Rico Telecommunications Act of 1996, regarding Interconnection Rates Terms and Conditions with Puerto Rico Telephone Company, Puerto Rico Telecommunications Regulatory Board, Docket No. 97-0034-AR, April 15, 1997. On behalf of Cellular Communications of Puerto Rico, Inc.

In the Matter of Complaint of FDN)
Communications for Resolution of)
Certain Billing Disputes and)
Enforcement of UNE Orders and) Docket No. 030829-TP
Interconnection Agreements with)
BellSouth Telecommunications, Inc.)
)

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 030829-TP EXHIBIT NO. 10
COMPANY/ FDN/Warren
WITNESS. Dispute Analysis Spreadsheet
DATE: 10-06-04

BELLSOUTH
PORTBACK / ZONE ISSUE ANALYSIS

PREPARED: 6/4/2004
 PREPARED BY: S. WARREN

PORTBACK ISSUE

BAN #	COMPANY	USOC	ORIGINAL DISPUTE	WINNABLE	EXPENSE	CREDITS RCVD	OUTSTANDING ^W DISPUTES	WINNABLE	EXPENSE
305-Q81-3225	MPOWER	UEAL2-P	\$10,590.99	\$9,071.52	\$1,519.47	\$3,764.19	\$6,826.80	\$5,307.33	\$1,519.47
305-Q81-3225	MPOWER	PE1P2 -P	\$42.44	\$26.38	\$16.06	\$11.48	\$30.96	\$14.90	\$16.06
305-Q91-0025	FDN	UEAL2-P	\$18,461.26	\$18,461.26	\$0.00	\$16,857.01	\$1,604.25	\$1,604.25	\$0.00
305-Q91-0025	FDN	PE1P2 -P	\$499.82	\$499.82	\$0.00	\$424.16	\$75.66	\$75.66	\$0.00
561-Q81-3225	MPOWER	UEAL2-P	\$38,092.97	\$26,939.22	\$11,153.75	\$18,454.32	\$19,638.65	\$8,484.90	\$11,153.75
561-Q81-3225	MPOWER	PE1P2 -P	\$593.74	\$385.08	\$208.66	\$224.45	\$369.29	\$160.63	\$208.66
904-Q91-0025	FDN	UEAL2-P	\$48,084.60	\$26,112.28	\$21,972.32	\$24,724.82	\$23,359.78	\$6,769.36	\$16,590.42
904-Q91-0025	FDN	PE1P2 -P	\$803.97	\$187.21	\$616.76	\$285.77	\$518.20	\$33.28	\$484.92
561-Q91-0025 (02)	FDN	UEAL2-P	\$27,668.08	\$0.00	\$27,668.08	\$4,985.44	\$22,682.64	\$0.00	\$22,682.64
561-Q91-0025 (02)	FDN	SOMAN-P	\$21.46				\$21.46		
561-Q91-0025 (03)	FDN	UEAL2-P	\$29,295.94	\$16,750.07	\$12,545.87	\$8,202.36	\$21,093.58	\$8,547.71	\$12,545.87
561-Q91-0025 (03)	FDN	PE1P2 -P	\$1,928.50	\$1,028.52	\$899.98	\$845.02	\$1,083.48	\$183.50	\$899.98
770-Q90-2963	MPOWER	UEAC2-P	\$365.70	\$245.00	\$120.70	\$114.20	\$251.50	\$130.80	\$120.70
770-Q90-2963	MPOWER	PE1P2 -P	\$0.02	\$0.00	\$0.02	\$0.00	\$0.02	\$0.00	\$0.02
770-Q90-2963	MPOWER	PE1PE-P	\$0.72	\$0.00	\$0.72	\$0.00	\$0.72	\$0.00	\$0.72
770-Q90-2963	MPOWER	UEAL2-P	\$85.85	\$0.00	\$85.85	\$0.00	\$85.85	\$0.00	\$85.85
			\$176,536.06			\$78,893.22	\$97,642.84	\$31,312.32	\$66,309.06
305-N16-0032	FDN	UEAL2-P	\$15,570.74	\$182.67	\$15,116.22	\$214.57	\$15,356.17	\$182.67	\$14,915.02
305-N16-0032	FDN	PE1P2-P	\$172.32	\$0.00	\$172.32	\$0.00	\$172.32	\$0.00	\$172.32
305-N16-0032	FDN	SOMAN-P	\$86.01	\$0.00	\$86.01	\$0.00	\$86.01	\$0.00	\$86.01
404-N07-0154	MPOWER	SOMAN-P	\$70.63	\$0.00	\$70.63	\$18.39	\$52.24	\$0.00	\$52.24
404-N22-0307	MPOWER	SOMAN-P	\$66.10	\$0.00	\$66.10	\$0.00	\$66.10	\$0.00	\$66.10
407-N25-0007	FDN	UEAL2-P	\$5,482.63	\$1,091.84	\$4,390.80	\$135.75	\$5,346.88	\$1,091.84	\$4,255.05
407-N25-0007	FDN	SOMAN-P	\$9.15	\$0.00	\$9.15	\$0.00	\$9.15	\$0.00	\$9.15
407-N25-0007	FDN	PE1P2-P	\$11.48	\$0.00	\$11.48	\$0.00	\$11.48	\$0.00	\$11.48
904-N13-0077	FDN	UEAL2-P	\$6,688.07	\$1,350.31	\$5,337.76	\$151.08	\$6,536.99	\$1,350.31	\$5,186.68
904-N13-0077	FDN	SOMAN-P	\$20.13	\$0.00	\$20.13	\$0.00	\$20.13	\$0.00	\$20.13
904-N13-0077	FDN	PE1P2-P	\$55.02	\$0.00	\$55.02	\$0.00	\$55.02	\$0.00	\$55.02
904-N22-0199	FDN	UEAL2-P	\$504.13	\$377.07	\$127.06	\$0.00	\$504.13	\$377.07	\$127.06
954-N10-0018	FDN	UEAL2-P	\$7,352.87	\$258.48	\$7,094.39	\$419.78	\$6,933.09	\$258.48	\$6,674.61
954-N10-0018	FDN	PE1P2-P	\$246.96	\$57.90	\$189.06	\$57.85	\$189.11	\$0.00	\$189.11
954-N10-0018	FDN	SOMAN-P	\$29.28	\$0.00	\$29.28	\$0.00	\$29.28	\$0.00	\$29.28

954-N19-0030	MPOWER	UEAL2-P	\$392.48	\$0.00	\$392.48	\$0.00	\$392.48	\$0.00	\$392.48
954-N19-0030	MPOWER	PE1P2-P	\$11.48	\$0.00	\$11.48	\$0.00	\$11.48	\$0.00	\$11.48
954-N19-0032	MPOWER	UEAL2-P	\$143.58	\$0.00	\$143.58	\$0.00	\$143.58	\$0.00	\$143.58
954-N19-0033	MPOWER	UEAL2-P	\$573.78	\$83.53	\$490.25	\$0.00	\$573.78	\$83.53	\$490.25
			<u>\$37,486.84</u>			<u>\$997.42</u>	<u>\$36,489.42</u>	<u>\$3,343.90</u>	<u>\$32,887.05</u>

TOTAL: \$134,132.26

ZONE CHANGE ISSUE

BAN #	COMPANY	USOC	ORIGINAL DISPUTE	WINNABLE	EXPENSE	CREDITS RCV'D	OUTSTANDING DISPUTES	WINNABLE	EXPENSE
561-Q91-0025 (02)	FDN	UEAL2-Z	\$14,448.77	\$0.00	\$14,448.77	\$0.00	\$14,448.77	\$0.00	\$14,448.77
561-Q91-0025 (03)	FDN	UEAL2-Z	\$4,100.67	\$4,100.67	\$0.00	\$0.00	\$4,100.67	\$4,100.67	\$0.00
706-Q90-2963	MPOWER	UEAL2-Z	\$3,800.41	\$3,800.41	\$0.00	\$0.00	\$3,800.41	\$3,800.41	\$0.00
770-Q90-2963	MPOWER	UEAL2-Z	\$1,470.61	\$1,470.61	\$0.00	\$0.00	\$1,470.61	\$1,470.61	\$0.00
904-Q91-0025	FDN	UEAL2-Z	\$55,487.23	\$12,896.10	\$42,591.13	\$7.55	\$55,479.68	\$12,896.10	\$42,583.58
			<u>\$79,307.69</u>			<u>\$7.55</u>	<u>\$79,300.14</u>	<u>\$22,267.79</u>	<u>\$57,032.35</u>
305-N16-0032	FDN	U1L2X-Z	\$381.79	\$366.05		\$23.61	\$224.39	\$224.39	\$0.00
305-N16-0032	FDN	UDC2X-Z	\$429.26	\$277.76	\$151.50	\$3.57	\$425.69	\$274.19	\$151.50
305-N16-0032	FDN	USLXX-Z	\$864.79	\$672.62	\$192.17	\$98.83	\$765.96	\$573.79	\$192.17
305-N16-0032	FDN	UEAL2-Z	\$1,332.35	\$1,160.60	\$171.75	\$38.70	\$1,293.65	\$1,121.90	\$171.75
305-N16-0032	FDN	1L5XX-Z	\$767.58	\$0.00	\$767.58	\$0.00	\$767.58	\$0.00	\$767.58
407-N25-0007	FDN	U1L2X-Z	\$14.17	\$14.17	\$0.00	\$0.00	\$14.17	\$14.17	\$0.00
407-N25-0007	FDN	UDC2X-Z	\$439.19	\$422.74	\$16.45	\$0.00	\$439.19	\$422.74	\$16.45
407-N25-0007	FDN	UEAL2-Z	\$6,150.23	\$6,150.23	\$0.00	\$0.00	\$6,150.23	\$6,150.23	\$0.00
407-N25-0007	FDN	USLXX-Z	\$256.04	\$245.91	\$10.14	\$0.00	\$256.04	\$245.91	\$10.14
407-N25-0007	FDN	1L5XX-Z	\$6,107.66	\$0.00	\$6,107.66	\$0.00	\$6,107.66	\$0.00	\$6,107.66
904-N13-0077	FDN	U1L2X-Z	\$289.69	\$268.30	\$21.39	\$0.00	\$289.69	\$268.30	\$21.39
904-N13-0077	FDN	UDC2X-Z	\$5,911.40	\$5,461.95	\$449.44	\$0.00	\$5,911.40	\$5,461.95	\$449.44
904-N13-0077	FDN	UEAL2-Z	\$56,065.67	\$51,718.28	\$4,347.39	\$6,115.08	\$49,950.59	\$46,170.93	\$3,779.66
904-N13-0077	FDN	USLXX-Z	\$2,115.50	\$1,952.03	\$163.47	\$0.00	\$2,115.50	\$1,952.03	\$163.47
954-N10-0018	FDN	UDC2X-Z	\$1,897.20	\$1,832.24	\$64.96	\$267.96	\$1,629.24	\$1,621.12	\$8.12
			<u>\$83,022.52</u>			<u>\$6,547.75</u>	<u>\$76,340.98</u>	<u>\$64,501.65</u>	<u>\$11,839.33</u>

TOTAL: \$155,641.12

\$289,773.38

1 BELLSOUTH TELECOMMUNICATIONS, INC.
2 REBUTTAL TESTIMONY OF W. KEITH MILNER
3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 030851-TP
5 JANUARY 7, 2004
6

7 Q. PLEASE STATE YOUR NAME, YOUR BUSINESS ADDRESS, AND
8 YOUR POSITION WITH BELLSOUTH TELECOMMUNICATIONS, INC.
9 ("BELLSOUTH").
10

11 A. My name is W. Keith Milner. My business address is 675 West Peachtree
12 Street, Atlanta, Georgia 30375. I am Assistant Vice President -
13 Interconnection Operations for BellSouth.
14

15 Q. ARE YOU THE SAME W. KEITH MILNER THAT FILED DIRECT
16 TESTIMONY IN THIS PROCEEDING?
17

18 A. Yes.
19

20 Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY FILED
21 TODAY?
22

23 A. My testimony provides rebuttal to the direct testimony of Mr. Jay M.
24 Bradbury and Mr. Steven E. Turner on behalf of AT&T Communications of
25 the Southern States, LLC.

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET

NO. 030829-TP EXHIBIT NO. 11

COMPANY/ FDN

WITNESS: Rebuttal Testimony of W. Keith Milner

DATE: 10-06-04

DOCUMENT NUMBER-DATE

00297 JAN-78

FPSC-COMMISSION CLERK

1 **Rebuttal to Mr. Bradbury**

2 Q. ON PAGE 10 OF HIS TESTIMONY, MR. BRADBURY CONTENDS "THE
3 LEGACY ILEC NETWORK ARCHITECTURE PROVIDES AN
4 INEFFICIENT AND UNECONOMIC MEANS FOR A CLEC THAT TRIES
5 TO CONNECT THOSE SAME LOOPS TO ITS SWITCH THAT IS
6 ALWAYS REMOTELY LOCATED FROM THE ILEC CENTRAL OFFICE
7 WHERE THESE LOOPS TERMINATE." [Emphasis added] CAN YOU
8 ADDRESS THIS CONTENTION?
9

10 A. Yes. Despite Mr. Bradbury's characterization to the contrary, there is no
11 requirement that Competitive Local Exchange Carriers ("CLECs") install
12 their local switch at some location other than the Incumbent Local
13 Exchange Carrier's ("ILEC's") central office building. For example, one (1)
14 CLEC in Florida has chosen to install its switches in that CLEC's
15 collocation arrangements within BellSouth's central offices thereby
16 reducing its "backhaul" costs.
17

18 Q. ON PAGE 10 OF HIS TESTIMONY, MR. BRADBURY QUOTES THE
19 FEDERAL COMMUNICATIONS COMMISSION ("FCC") AS SAYING
20 "THE NEED TO BACKHAUL THE CIRCUIT DERIVES FROM THE USE
21 OF A SWITCH LOCATED IN A LOCATION RELATIVELY FAR FROM
22 THE END USER'S PREMISES, WHICH EFFECTIVELY REQUIRES
23 COMPETITORS TO DEPLOY MUCH LONGER LOOPS THAN THE
24 INCUMBENT." PLEASE RESPOND.
25

1 A. Mr. Bradbury correctly quotes the FCC. However, I disagree with the
2 assertion that a CLEC's switch will be "relatively far" from the end user's
3 premises. The CLEC could, for example, house its switch in a building
4 directly across the street from the ILEC's central office. In such a case,
5 the loop would not be "much longer." More importantly, however, I would
6 remind the Commission that during recent proceedings regarding the
7 CLECs' eligibility for reciprocal compensation for tandem switching,
8 CLECs argued that their switches covered very large stretches of
9 geography and that CLECs had chosen an architecture with fewer
10 switches and longer loops compared to incumbents' networks
11 characterized by more switches (including tandem switches) and relatively
12 shorter loops and that their chosen architecture yielded significant
13 benefits. In my direct testimony in this proceeding, I cited the testimony of
14 Mr. David Talbott on behalf of AT&T and Mr. Don Price on behalf of
15 Worldcom in which they explained the long "reach" of their respective
16 switches. I find it somewhat ironic that the network characteristic that
17 these CLECs touted in those earlier proceedings as an advantage over
18 incumbents' respective architectures, those same CLECs now bemoan.

19
20 Q. ON PAGE 11 OF HIS TESTIMONY, MR. BRADBURY STATES "THE
21 CLEC BACKHAUL COSTS INCLUDE THE NON-RECURRING COSTS
22 NECESSARY TO ESTABLISH A COLLOCATION ARRANGEMENT IN
23 EVERY ILEC WIRE CENTER IN WHICH THE CLEC WISHES TO OFFER
24 MASS MARKET SERVICES..." CAN YOU ADDRESS THIS?

25

1 A. Yes. Apparently, AT&T has chosen to assume that collocation in each
2 wire center is required, although in AT&T's response to BellSouth's Fourth
3 Set of Interrogatories, No. 154, Mr. Bradbury concedes that options for
4 collocation that I described in my direct testimony are accurate. Moreover,
5 as I noted in my direct testimony in this proceeding, BellSouth's Analysis
6 of Competitive Entry ("BACE") model accommodates the assumption that
7 the CLEC may collocate in every ILEC central office in order to serve
8 mass market customers. BellSouth's BACE model also allows the CLEC
9 to collocate in some, but not all, ILEC central offices and use the so-called
10 Enhanced Extended Link ("EEL") to serve those mass market customers
11 whose loops terminate in ILEC central offices in which the CLEC is not
12 collocated.

13

14 Q. ON PAGE 11 OF HIS TESTIMONY, MR. BRADBURY STATES "THIRD,
15 THE CLEC MUST PAY EXORBITANT CHARGES TO THE ILEC FOR
16 TRANSFERRING LOOPS FROM THE ILEC SWITCH TO A CLEC
17 COLLOCATION FACILITY, OR FROM ONE CLEC TO ANOTHER." TO
18 WHAT CHARGES DOES MR. BRADBURY REFER?

19

20 A. Apparently, Mr. Bradbury refers to the rates set by this Commission for the
21 ordering and provisioning of unbundled loops. I disagree with Mr.
22 Bradbury that the charges are "exorbitant" and he does not explain the
23 basis for his claim. Indeed, this Commission took extensive testimony in
24 Docket No. 990649-TP before reaching its decision as to what rates are
25 appropriate for the "hot cut" required to disconnect a loop from BellSouth's

1 switch and then re-connect that same loop to the CLEC's facilities.

2

3 Q. ON PAGE 11 OF HIS TESTIMONY, MR. BRADBURY TAKES ISSUE
4 WITH THE TRANSFER PROCESS, CONTENDING THAT THE
5 PROCESS IS INFERIOR IN COMPARISON TO UNE-P CHANGES OR
6 THE PRIMARY INTEREXCHANGE CARRIER ("PIC") CHANGE
7 PROCESS. ARE THESE COMPARISONS VALID?

8

9 A. No. The two (2) processes which Mr. Bradbury prefers (that is, use of
10 UNE-P or the use of PIC change capabilities) are billing changes that are
11 effectuated without the need to make physical changes to the ILEC's
12 network. The hot cut process, on the other hand, requires physical work
13 within the ILEC's network to remove the loop from the ILEC's switch and
14 then to re-connect that loop to the CLEC's facilities including the CLEC's
15 switch. There are profound dissimilarities between the processes Mr.
16 Bradbury apparently wishes could be used for "hot cuts" and the
17 processes that are actually used. Most importantly, he offers no
18 replacement for or improvements to the "hot cut" process that AT&T and
19 BellSouth jointly developed and which is in use daily across BellSouth's
20 nine-state region.

21

22 Q. ON PAGE 18 OF HIS TESTIMONY, MR. BRADBURY QUOTES THE
23 FCC AS SAYING "NO PARTY SERIOUSLY ASSERTS THAT
24 COMPETITIVE LECs ARE SELF-DEPLOYING COPPER LOOPS TO
25 PROVIDE TELECOMMUNICATIONS SERVICES TO THE MASS

1 MARKET." PLEASE RESPOND.

2

3 A. While Mr. Bradbury accurately quotes the FCC, I would point out that in
4 the referenced passage, the FCC merely pointed out that CLECs were not
5 deploying copper cables over which services are or will be provided.
6 Nonetheless, CLECs are deploying analogous network facilities over
7 which loops are transported, namely fiber optic-based transmission
8 systems.

9

10 Q. ON PAGE 23 OF HIS TESTIMONY, MR. BRADBURY STATES "THE
11 FCC'S RULES DO NOT PERMIT A CLEC TO PLACE A CIRCUIT
12 SWITCH IN A COLLOCATION." ARE THERE ANY CLEC SWITCHES
13 COLLOCATED WITHIN BELLSOUTH'S CENTRAL OFFICES IN
14 FLORIDA?

15

16 A. Yes. Please see BellSouth's response to the Florida Staff's Second Set of
17 Interrogatories, Item No. 17, in this Docket.

18

19 Q. ON PAGE 25 OF HIS TESTIMONY, MR. BRADBURY ASSERTS THAT
20 CLECs MUST "INSTALL AND MAINTAIN THE EQUIPMENT
21 NECESSARY TO DIGITIZE AND, USING CONCENTRATION AND
22 MULTIPLEXING TECHNIQUES, AGGREGATE THE TRAFFIC ON
23 THOSE LOOPS TO PERMIT CONNECTIONS TO THE CLEC'S SWITCH
24 AT ACCEPTABLE QUALITY LEVELS..." CAN YOU ADDRESS THIS?

25

1 A. Yes. CLECs need not perform this function for themselves, as Mr.
2 Bradbury apparently believes. To the contrary, BellSouth's Unbundled
3 Loop Concentration ("ULC") offer aggregates and digitizes the loops in a
4 given BellSouth central office for delivery to the CLEC's collocation
5 arrangement. Please see BellSouth's Interconnection website
6 (<http://www.interconnection.bellsouth.com/>) for details of BellSouth's offer.

7
8 Q. ON PAGE 29 OF HIS TESTIMONY, MR. BRADBURY DISCUSSES A
9 CLEC's USE OF DIGITAL LOOP CARRIER ("DLC") EQUIPMENT WITHIN
10 THE CLEC's COLLOCATION ARRANGEMENT AND STATES "WHILE
11 THIS DLC EQUIPMENT IS ABSOLUTELY MANDATORY FOR THE
12 CLEC, IT IS NOT REQUIRED FOR THE ILEC WHEN SERVING THE
13 SAME CUSTOMERS." PLEASE RESPOND.

14
15 A. While I agree that CLECs will use DLC equipment (either self-provided or
16 via BellSouth's ULC offer I discussed earlier), DLC equipment is useful not
17 for differences in transmission quality alluded to by Mr. Bradbury, but
18 rather by the economics achieved by concentrating individual loops for
19 conveyance to the CLEC's switch which, under Mr. Bradbury's
20 assumption, is housed somewhere other than within BellSouth's central
21 office. In other words, DLC equipment is efficiently used to aggregate
22 individual loops and thus economize on facilities investments. Mr.
23 Bradbury's suggestion that DLC equipment is useful only for achieving a
24 certain level of transmission performance and that only CLECs make use
25 of DLC equipment is simply a red herring. ILECs such as BellSouth use

1 DLC equipment routinely.

2

3 Q. ON PAGE 32 OF HIS TESTIMONY, MR. BRADBURY STATES "DLC
4 EQUIPMENT IS NOT DESIGNED TO, AND THEREFORE CANNOT,
5 SCALE PRECISELY WITH THE LEVEL OF DEMAND OR NUMBER OF
6 LINES) SERVED IN A WIRE CENTER." CAN YOU ELABORATE ON
7 THIS POINT?

8

9 A. Yes. Mr. Bradbury is correct to a certain point. What he fails to point out,
10 however, is that few, if any, electronic devices used in a modern
11 telecommunications network are smoothly scalable. Instead, to improve
12 the cost efficiency of their products, manufacturers offer devices with
13 stated levels of capacity. Once the devices are installed, the service
14 provider (whether the CLEC or the ILEC) need not augment network
15 capacity simply to provide service to one more customer. Indeed, most
16 products (from a loaf of bread to airplane seats) are offered in capacity
17 units, which the producer believes to be proper increments. Contrary to
18 Mr. Bradbury's assertion that DLC investment is very "lumpy", I would
19 point out that Mr. Bradbury has chosen to support his example with DLC
20 equipment in the very largest increment commercially available (that is,
21 the Alcatel LiteSpan 2000). There are numerous providers of DLC
22 equipment with "start up" levels far smaller than that of the LiteSpan 2000.
23 In fact, the AT&T model allows a choice from three (3) sizes of DLC, the
24 LiteSpan being the largest, but CLECs may also place smaller DLC to
25 scale to offices with smaller demand. See Turner Revised Exhibit SET-2,

1 Section II.B.1.a, page 12 (continuing on page 13).

2

3 Q. ON PAGE 33 OF HIS TESTIMONY, MR. BRADBURY DISCUSSES
4 DIGITAL CROSS CONNECTION ("DSX") EQUIPMENT AND
5 ATTRIBUTES IT WITH THE SAME LUMPINESS AS FOR DLC
6 EQUIPMENT. WHAT IS YOUR REACTION?

7

8 A. Here again, while I will agree that DSX equipment is available in various
9 capacity increments, Mr. Bradbury supports his example with that piece of
10 equipment (that is, the DSX-3) that provides the greatest amount of
11 capacity rather than choosing some smaller device such as the DSX-1.

12

13 Q. BEGINNING AT THE BOTTOM OF PAGE 36 OF HIS TESTIMONY, MR.
14 BRADBURY DESCRIBES THE WORK STEPS IN THE TRANSFER OF A
15 WORKING LOOP FROM THE ILEC's SWITCH TO THE CLEC's
16 SWITCH. CAN YOU SPEAK TO THIS?

17

18 A. Yes. While Mr. Bradbury has correctly noted the work steps involved, I
19 find it ironic that earlier in his testimony (see page 11 of Mr. Bradbury's
20 testimony) he decries this process as insufficient compared to processes
21 that do not involve these physical work steps (the UNE-P transfer or a PIC
22 change). Further, a "hot cut" process with accompanying physical work
23 steps is likewise required were BellSouth to "win back" a customer that
24 had earlier chosen service from a CLEC. Thus, any acquisition costs
25 related to "hot cuts" should be attributed to both the ILEC's and CLECs'

1 respective costs of doing business.

2

3 Q. ON PAGE 41 OF HIS TESTIMONY, MR. BRADBURY DISCUSSES
4 LOOPS SERVED BY INTEGRATED DIGITAL LOOP CARRIER ("IDLC")
5 EQUIPMENT AND STATES "FOR EXAMPLE, IF THE ILEC'S DATABASE
6 DOES NOT REVEAL THE PRESENCE OF IDLC BEFORE A
7 CONVERSION DATE IS COMMITTED TO THE CUSTOMER, THE CLEC
8 MUST NEGOTIATE A NEW DATE WITH THAT CUSTOMER, WHICH OF
9 COURSE MAKES A NEGATIVE IMPRESSION." PLEASE RESPOND.

10

11 A. BellSouth's database (that is, Loop Facilities Administration and Control
12 System or "LFACS") includes indicators as to whether a given loop is
13 provided via IDLC equipment. Through the loop makeup process, the
14 CLEC can readily determine the presence of IDLC in a given instance and
15 negotiate due dates with the CLEC's customer accordingly. See the
16 testimony of BellSouth witness Ronald Pate for a fuller discussion of this
17 topic.

18

19 Q. ON PAGE 43 OF HIS TESTIMONY, MR. BRADBURY DISCUSSES IDLC
20 ARRANGEMENTS AND DIGITAL SUBSCRIBER LINE ("DSL") SERVICE.
21 HE STATES "ADDITIONALLY, EXCEPT WHEN THE IDLC SERVED
22 CUSTOMER CAN BE PLACED ON A COPPER LOOP LESS THAN
23 18,000 FEET IN LENGTH, CLECs ARE DENIED THE CAPABILITY OF
24 PROVIDING DSL SERVICES TO THEIR CUSTOMERS." IS THAT A
25 CORRECT STATEMENT?

1 A. No. As Mr. Bradbury himself points out, even BellSouth must make
2 alternative arrangements to provide DSL service to those of its customers
3 served by DLC. In such a case, BellSouth must place its Digital
4 Subscriber Line Access Multiplexer ("DSLAM") in the remote terminal
5 rather than in the central office. A CLEC that sought to provide DSL
6 service to its customers could likewise collocate its DSLAM at the remote
7 terminal.
8

9 Q. ON PAGE 42 OF HIS TESTIMONY, MR. BRADBURY STATES
10 "...BECAUSE THE CLEC DOES NOT HAVE THE ECONOMIES OF
11 SCALE TO DIRECT CONNECT ITS SWITCH WITH EFFICIENT
12 INTEROFFICE TRUNK GROUPS TO EACH OF THE ILEC's LOCAL
13 SWITCHES, THE CLEC WILL BE MORE RELIANT ON THE ILEC's
14 TANDEM NETWORK FOR THE EXCHANGE OF TRAFFIC." WHAT IS
15 YOUR RESPONSE?
16

17 A. Whether or not is economical to have direct trunks between a particular
18 pair of local switches in a local calling area is a function of the amount of
19 traffic to be handled and the distance between those two switches.
20 Although Mr. Bradbury's testimony would lead one to believe that CLECs
21 must interconnect at a tandem for all of their local traffic, this simply is not
22 true. BellSouth allows (and some CLECs have elected) interconnection
23 directly between the BellSouth end office switch and the CLEC's switch
24 rather than at the tandem. Those same factors affect BellSouth's decision
25 whether to have direct trunking between certain of its end office switches,

1 and it is not uncommon for the traffic between two BellSouth end offices in
2 a given local calling area to be handled solely via tandem switching
3 connecting the two end offices. Thus, BellSouth faces exactly the same
4 challenges regarding cost efficiency and customer services, as does the
5 CLEC in such cases.

6

7 **Rebuttal to Mr. Turner**

8 Q. ON PAGE 5 OF HIS TESTIMONY, MR. TURNER STATES "...IN THE
9 ABSENCE OF UNBUNDLED LOCAL SWITCHING, CLECs FACE
10 PRACTICALLY INSURMOUNTABLE COST DISADVANTAGES
11 RELATIVE TO THE INCUMBENT LOCAL EXCHANGE CARRIERS
12 ("ILECs") IF UNBUNDLED NETWORK ELEMENT LOOPS ("UNE-L's
13 USED IN CONJUNCTION WITH THEIR OWN (OR A THIRD PARTY
14 PROVIDER'S) SWITCHING IS THE SOLE OPTION FOR PROVIDING
15 LOCAL SERVICES TO MASS MARKET CUSTOMERS." DO YOU
16 AGREE WITH MR. TURNER'S CONCLUSION IN THIS REGARD?

17

18 A. No. It is impossible to draw the conclusions that Mr. Turner reaches
19 based on the testimony he has provided because that testimony is based
20 on a number of assumptions that are simply wrong.

21

22 Q. IN WHAT WAYS IS MR. TURNER'S ANALYSIS FLAWED?

23

24 A. Mr. Turner's analysis hinges on identifying costs that a CLEC would incur
25 in acquiring and servicing a customer that an ILEC would not incur. This

1 "analysis" is the basis of his determination that an "absolute cost
2 disadvantage" exists. As the following paragraphs will make clear, many
3 of the costs Mr. Turner attributes to CLEC operations but not to ILEC
4 operations, are in fact incurred by ILECs. In addition, he clearly
5 overstates, or fails to consider the possibility of less costly alternatives in
6 his analysis, which lead to conclusions that are not necessarily correct.
7 Briefly, Mr. Turner's analysis is wrong for the following reasons:

- 8 • Mr. Turner attributes "hot cut" costs to each and every customer
9 that might choose service from a CLEC. While Mr. Turner is
10 correct that the CLEC will incur costs associated with the hot cut
11 to disconnect the loop serving the customer from BellSouth's
12 switch and then re-connect the loop to the CLEC's switch, he
13 ignores the fact that in cases where a customer chooses to
14 return to the ILEC, those same work steps (disconnection of the
15 serving loop from the CLEC's switch and re-connecting the loop
16 to the ILEC's switch) will likewise be incurred by the ILEC.
- 17 • Mr. Turner attributes costs to perform Local Number Porting
18 ("LNP") activities to the CLEC but does not likewise attribute
19 those same costs to ILECs in cases where the customer
20 chooses to return to the ILEC. In other words, the work steps
21 required to "port" the telephone number from BellSouth's
22 network to the CLEC's network are required to "port" the
23 telephone number from the CLEC's network to BellSouth's
24 network.
- 25 • Mr. Turner's analysis assumes that an efficient CLEC will

1 collocate in every ILEC end office in which the CLEC has or will
2 have mass market customers. For reasons Mr. Turner does not
3 explain in his testimony, he assumes that CLECs will not make
4 use of so-called Enhanced Extended Links ("EELS"), which
5 reduce the quantity of collocation arrangements in a given Local
6 Access Transport Area ("LATA") to as few as one. In addition,
7 Mr. Turner evidently completely ignores the fact that there are
8 variations in the types of collocation available, relying instead on
9 only the most expensive type of collocation.

- 10 • Mr. Turner's Facility Ring Processor ("FRP") tool used in his
11 analysis does not reduce the total facility costs by the amount of
12 the capacity required to handle that portion of the capacity used
13 that is not for "backhauling" loops and is not used "enterprise"
14 customer traffic. This is the capacity that is used to carry
15 interconnection traffic (that is, voice calls between the CLEC's
16 customers and the customers of other local service providers
17 including but not limited to other CLECs and ILECs). Here
18 again, both ILECs and CLECs incur costs of transporting calls
19 between and among the networks of various local service
20 providers. However, Mr. Turner incorrectly leaves those costs in
21 as part of his "absolute disadvantage" calculation.

22

23 Q. WHAT WOULD BE THE IMPACT OF CORRECTING THE ERRORS
24 THAT YOU HAVE POINTED OUT IN THE ASSUMPTIONS MR. TURNER
25 HAS MADE AND THE ANALYSIS HE HAS PRESENTED?

1 A. The obvious conclusion is that he has overstated the supposed "absolute
2 cost disadvantage" that he claims to identify. What the actual cost
3 disadvantage would be, assuming that there was one, cannot be
4 determined. Of course, as other witnesses have pointed out, even if such
5 a cost advantage exists, the CLECs have ample other advantages, not the
6 least of which is the ability to pick and chose the customers they serve,
7 that would offset such a cost disadvantage.
8
9 Q. DOES THAT CONCLUDE YOUR REBUTTAL TESTIMONY?
10
11 A. Yes.

BELLSOUTH TELECOMMUNICATIONS, INC.
DIRECT TESTIMONY OF KENNETH L. AINSWORTH
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 030851-TP
DECEMBER 4, 2003

Q. PLEASE STATE YOUR NAME, YOUR BUSINESS ADDRESS, AND YOUR POSITION WITH BELLSOUTH TELECOMMUNICATIONS, INC. ("BELLSOUTH").

A. My name is Ken L. Ainsworth. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375. My title is Director – Interconnection Operations for BellSouth.

Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE WITH BELLSOUTH.

A. I have over thirty-five years experience in the telecommunications industry. My experience covers a wide range of network centers as well as outside plant construction. Specifically, I have managed and/or supported the following network centers: Switching Control Center, Special Service Center, Central Office Operations, Access Customer Advocate Center, Facility Management Administrative Center, Circuit Order Control Center, Network Operations Center, Major Account Center, 911 Center and the Customer Wholesale Interconnection Network Services Center. In addition, I deployed the Work Force Administration

1 ("WFA") system, which is used by these centers to track the status of certain
2 activities performed by BellSouth's Network personnel. I am currently a Director
3 for Interconnection Services directly supporting the Local Carrier Service Center
4 ("LCSC") and Customer Wholesale Interconnection Services ("CWINS") Centers
5 regarding pre-ordering, ordering, provisioning and maintenance activities for the
6 wholesale market. I have participated in and provided technical assistance to
7 numerous Competitive Local Exchange Carrier ("CLEC") workshops on issues
8 dealing with pre-ordering, ordering, provisioning and maintenance of resold
9 services and unbundled network elements.

10
11 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

12
13 A. My testimony will demonstrate two main points: (1) BellSouth has in place a
14 proven, seamless, high quality individual hot cut process to handle unbundled
15 loop ("UNE-L") volumes likely to result if BellSouth obtains full relief from
16 unbundled circuit switching; and (2) BellSouth has in place a batch hot cut
17 process that provides additional ordering efficiencies and the same proven,
18 seamless, quality migrations as individual hot cuts to convert the embedded base
19 of Unbundled Network Element Platform ("UNE-P") arrangements to UNE-L
20 arrangements if BellSouth obtains full relief from unbundled circuit switching.

21
22 Q. WHAT ISSUES ON THE FLORIDA ISSUES LIST DOES YOUR TESTIMONY
23 ADDRESS?

24
25 A. Issue 3 in its entirety.

1 Q. BASED ON THE VOLUME OF TESTIMONY FILED ON THE HOT CUT ISSUE,
2 SHOULD THE COMMISSION INFER THAT A "HOT CUT" IS A DIFFICULT OR
3 CUMBERSOME PROCESS?
4

5 A. Absolutely not. A hot cut, simply defined, is moving a jumper from one location
6 to another. The hot cut itself involves basic network functions and skills that are
7 used repeatedly in BellSouth's network every day. The extensive number of
8 customers being served in Florida by a combination of a BellSouth loop and a
9 CLEC switch demonstrates that BellSouth has a hot cut process that works.
10

11 Q. HAS THE COMMISSION REVIEWED BELL SOUTH'S HOT CUT PROCESS
12 BEFORE?
13

14 A. Yes. This portion of the case should be familiar to the Commission. The
15 Commission expended a great deal of time and energy reviewing the ordering
16 and provisioning of hot cuts in BellSouth's 271 case. In that case, the
17 Commission found that BellSouth provides CLECs nondiscriminatory access to
18 UNE loops, provided via a hot cut process.
19

20 **I. BELL SOUTH'S HOT CUT PROCESSES**
21

22 **A. General Overview of BellSouth's Different Hot Cut Processes**
23

24 Q. GENERALLY, WHAT TYPES OF HOT CUT PROCESSES AND WHAT TYPES
25 OF COORDINATION LEVELS DOES BELL SOUTH OFFER CLECS?

1 A. BellSouth provides three (3) different hot cut processes and three (3) different
2 levels of coordination. Despite this variety of service offerings, however, the
3 actual hot cut remains a simple, straightforward task – and a task BellSouth can
4 perform at high volumes with a high degree of accuracy and speed.

5
6 Q. WHAT ARE THE THREE (3) DIFFERENT TYPES OF HOT CUT PROCESSES
7 BELLSOUTH OFFERS?

8
9 A. BellSouth offers CLECs the following types of hot cuts: (1) individual hot cuts; (2)
10 project hot cuts; and (3) batch hot cuts.

11
12 Q. PLEASE BRIEFLY DESCRIBE THE INDIVIDUAL, PROJECT, AND BATCH HOT
13 CUT PROCESSES.

14
15 A. An individual hot cut service request is for a particular end-user account and is
16 available for both residence and business service lines. Service requests for
17 individual accounts may include single or multiple lines. Simply put, the
18 individual account service request will process a single order for a single end-
19 user.

20
21 The project hot cut is for cuts involving 15 or more lines to a single end-user. To
22 ensure an efficient cut, BellSouth involves a project manager to coordinate the
23 different work functions. The criteria for project hot cuts can be found at
24 http://www.interconnection.bellsouth.com/guides/html/other_guides.html

1 The batch hot cut service request (which is interchangeably referred to as the
2 "bulk" migration process) provides efficient processing for large volume
3 migrations of UNE-P service to UNE-L service and is particularly suited to the
4 migration of an embedded base of UNE-P circuits to UNE-L circuits. The batch
5 hot cut process applies to migrations of multiple accounts for the same service
6 type within a specific wire center. The batch process combines ordering
7 efficiencies and project management support with a proven hot cut provisioning
8 process. BellSouth's batch hot cut process can be found at
9 <http://www.interconnection.bellsouth.com/guides/unedocs/BulkManpkg.pdf>

10
11 Q. PLEASE DESCRIBE THE DIFFERENT LEVELS OF COORDINATION
12 BELL SOUTH OFFERS AND THE PROCESSES TO WHICH THEY APPLY.

13
14 A. BellSouth offers CLECs three (3) hot cut coordination levels: (1) coordinated /
15 time specific, (2) coordinated, and (3) non-coordinated.

16
17 COORDINATED / TIME SPECIFIC hot cuts require BellSouth to convert the
18 CLEC account on a specific date and at a specific time designated by the CLEC.

19
20 When the CLEC elects this option, BellSouth ^①contacts the requesting CLEC 24 to
21 48 hours prior to the due date to verify that BellSouth's service order information
22 agrees with the CLEC's request. At that time, BellSouth also confirms no
23 jeopardy situation exists (for either the CLEC or for BellSouth), validates the
24 specific conversion time requested, and provides to the CLEC the status of any
25 dial tone test (that is, BellSouth's test of dial tone provided by the CLEC's

personnel?
R-PON 2?
R-PON w/
diff.
locations

switch).

② On the due date, the CWINS Center contacts the CLEC prior to the established conversion time for a final validation that the migration is still a "go". ③ The BellSouth CWINS technician communicates with the BellSouth's Network groups at the specified conversion time and makes the execution request to perform the hot cut. The CWINS technician stays on the call, awaiting Network completion notification. When the technician in BellSouth's Network group completes the hot cut, that technician notifies the CWINS technician who documents the hot cut completion. At this point, the hot cut is complete in BellSouth's network.

*2-Pond
-lock*
which one?

④ Once the hot cut is complete, the CWINS technician attempts to notify the CLEC for acceptance of the order. "Acceptance" means that the CLEC agrees that the order has been fulfilled successfully and that it is appropriate for BellSouth to close the order as complete. Once BellSouth confirms CLEC acceptance, or default acceptance occurs (e.g., BellSouth never hears back from the CLEC), the pending service orders are completed in BellSouth's systems by the CWINS technician.

*network
group
on line
still?*

Coordinated/Time Specific is available for individual and project hot cuts.

batch?

COORDINATED hot cuts require BellSouth to convert the CLEC's customer account on a date specified by the CLEC and a best effort time frame negotiated by the parties. ① For coordinated hot cuts, BellSouth contacts the requesting CLEC 24 to 48 hours prior to the due date to verify that BellSouth's service order

1 information agrees with the CLEC's request. At that time, BellSouth also
2 confirms no jeopardy situation exists (either for the CLEC or for BellSouth) and
3 provides to the CLEC the status of any dial tone test performed (that is,
4 BellSouth's test of dial tone from the CLEC's switch). Finally, during this call
5 during the 24 to 48 hours prior to the due date, the parties verify the targeted
6 time frame on the due date that the hot cut will be performed.

7
8 ② On the due date, CWINS will contact the CLEC prior to the conversion time for a
9 final validation that the migration is still a "go". ③ The BellSouth CWINS technician
10 communicates with BellSouth's Network group prior to the conversion being
11 started. Once all BellSouth personnel are in communication, the CWINS
12 technician will make the execution request to perform the hot cut and stay on the
13 call, awaiting Network completion notification. When the Network technician
14 completes the hot cut, that technician notifies the CWINS technician who
15 documents the completion. At this point, the hot cut is complete within
16 BellSouth's network. ④ The CWINS technician then attempts to notify the CLEC for
17 acceptance. As discussed earlier, acceptance in this sense means that the
18 CLEC agrees that the order has been fulfilled successfully and that is appropriate
19 that BellSouth close the order as complete. Once CLEC acceptance is
20 confirmed or default acceptance occurs, the pending service orders are
21 completed by the CWINS technician.

22
23 Coordinated service is available on individual, project, and batch hot cuts.

24
25 NON-COORDINATED hot cut requests are converted by BellSouth's Network

1 personnel during normal business hours (8 a.m. – 5 p.m.) at various times on the
2 due date based on the Network technicians' work load activity and schedule.

3
4 Once BellSouth network personnel complete the non-coordinated hot cut, the
5 technician completes the work order that, in turn, generates a notification (either
6 by facsimile or by e-mail) to the CLEC that the conversion is complete.

7
8 Non-coordinated service is available on individual, project, and batch hot cuts.

9
10 Q. PLEASE EXPLAIN THE BENEFITS OF EACH COORDINATION LEVEL.

11
12 A. COORDINATED/TIME SPECIFIC hot cuts allow CLECS to schedule conversions
13 at a CLEC-requested time on the due date. This gives the CLEC an opportunity
14 to schedule a specific conversion time with certain end-user customers based on
15 the business needs of the CLEC or the end-user. The coordinated / time specific
16 hot cut is the most detailed of the three (3) types of conversions and, as the FCC
17 held, is not something BellSouth is required to "provide at no charge."
18 Georgia/Louisiana Order, ¶ 222.

19
20 COORDINATED hot cuts assure the highest level of monitoring and interaction
21 by BellSouth with the CLEC during the provisioning process culminating in direct
22 completion notification at the completion of the conversion activity. The
23 coordinated hot cut allows CLECs the added value of the coordination functions
24 and direct notification and acceptance activities at the conclusion of the
25 conversion. When CLECs desire coordination assurances, direct notification and

1 acceptance opportunities, the coordinated conversion would be a good choice.

2
3 NON-COORDINATED hot cuts, as suggested by the name, provide basic hot cut
4 conversion processing without coordination functionality. This is not meant to
5 suggest that BellSouth's provisioning activities are not internally coordinated for
6 this type hot cut, because they are. However, BellSouth does not coordinate its
7 conversion activities with the CLEC at the time of the hot cut. This type of hot cut
8 allows a CLEC to convert its end-user from BellSouth's switch to the CLEC's
9 switch over an unbundled loop (that is, the UNE-L) at the lowest possible cost to
10 the CLEC. Network non-coordinated provisioning functions are still performed by
11 BellSouth's Network personnel to assure a quality conversion. Completion
12 notification is triggered by service order activity completion by Network
13 personnel, which propagates either a facsimile or e-mail conversion completion
14 notification (as specified by the CLEC) to the CLEC.

15
16 **B. BellSouth's Individual Hot Cut Process**

17
18 Q. HAS THE COMMISSION REVIEWED BELLSOUTH'S INDIVIDUAL HOT CUT
19 PROCESS BEFORE?

20
21 A. Absolutely. As I mentioned briefly at the outset, this Commission, as well as the
22 FCC, reviewed BellSouth's hot cut process during BellSouth's 271 applications
23 and determined that BellSouth's hot cut process provided CLECs with
24 nondiscriminatory access to unbundled loops. The provisioning process I
25 discuss here is the same process reviewed during the 271 case.

1 Q. PLEASE EXPLAIN BELL SOUTH'S INDIVIDUAL HOT CUT PROCESS.

2

3 A. BellSouth has a seamless individual hot cut process that ensures minimal end-
4 user service outage. A flow-chart of the individual hot cut process is attached to
5 my testimony as Exhibit KLA-1. BellSouth's process provides for the following:

6

- 7 1. Pre-wiring and pre-testing of all wiring prior to the due date
8 2. Verification of dial tone from the CLEC's switch
9 3. Verification of correct telephone number from the BellSouth and CLEC
10 switch using a capability referred to as Automatic Number Announcement
11 ("ANAC")
12 4. Monitoring of the line prior to actual wire transfer to ensure end-user
13 service is not interrupted
14 5. Notification to the CLEC that the transfer has completed

15

16 In addition to the activities listed above, coordinated hot cuts (including
17 coordinated/time specific hot cuts) also include:

18

- 19 1. Notification to the CLEC of CLEC wiring errors, dial tone, or ANI problems
20 2. Verification of end-user information with the CLEC prior to the conversion
21 3. Verification with the CLEC of cut date and or time 24 – 48 hours prior to
22 the conversion date
23 4. Joint acceptance testing, if requested by the CLEC.

24

25 Q. DOES BELL SOUTH CHECK FOR DIAL TONE PRIOR TO A HOT CUT?

1 A. Yes. BellSouth's processes require that a dial tone check be performed prior to a
2 hot cut. Hot cuts involving designed loops are tested for CLEC dial tone 24-48
3 hours before due date. If no dial tone is found, the CWINS Center technician
4 notifies the CLEC of the problem in order for the CLEC to have time to correct
5 the problem prior to the due date and not jeopardize the hot cut. Coordinated hot
6 cuts involving non-designed loops are tested for CLEC dial tone by the central
7 office ("CO") technician when they perform the pre-wiring for the hot cut. If no
8 dial tone is found, the CO technician places the order in jeopardy and the CWINS
9 technician notifies the CLEC of the problem in order for the CLEC to have time to
10 correct the problem prior to the due date and not jeopardize the hot cut.

11
12 For non-coordinated hot cuts, BellSouth checks for dial tone before the due date
13 but does not require CLEC notification of a no dial tone problem. BellSouth's CO
14 personnel check for CLEC dial tone when they perform pre-due date wiring
15 functions. The CO technician places the order in jeopardy if no CLEC dial tone is
16 present. The BellSouth CO technician checks again for CLEC dial tone on due
17 date and if dial tone is present, the CO technician performs the hot cut. If on the
18 due date, there is no CLEC dial tone, the hot cut does not go forward and the
19 BellSouth technician codes the order as a Missed Appointment ("MA") due to
20 CLEC problems. The CLEC is then notified, (either electronically, if the CLEC
21 placed its Local Service Request ("LSR") electronically, or by fax if the CLEC
22 placed its LSR manually), that the order is in MA status and that the CLEC must
23 either supplement its order for a new due date or cancel its order. Even in non-
24 coordinated cuts, the customer is not taken out of service if there is no dial tone
25 on the receiving end of the cut.

1 Regardless of which type of hot cut is ordered by the CLEC, BellSouth also
2 performs a check for CLEC dial tone immediately prior to the hot cut to ensure
3 that dial tone is present.
4

5 Q. DOES THE HOT CUT PROCESS CAUSE SERVICE DISRUPTIONS? IF SO,
6 DOES THAT MEAN THAT BELL SOUTH'S PROCESS IS NOT SEAMLESS?
7

8 A. The very nature of a hot cut is that there is a physical transfer of the loop facility
9 serving the end-user from the existing central office switch (that is, BellSouth's
10 switch) to the CLEC's switch. This physical transfer interrupts dial tone and the
11 end-users ability to place or receive calls during this process only during the time
12 the loop is disconnected from BellSouth's switch but is not yet connected to the
13 CLEC's switch. Due to the pre-conversion work that BellSouth performs before
14 the actual transfer from switch to switch, the average conversion time to make
15 this physical transfer since January 2003 has only averaged 2:39 minutes in
16 Florida according to BellSouth Service Quality Measurements ("SQM") reports.
17 This indicates the end-user would only be without calling capability for only 2:39
18 minutes. The CLEC performs required number porting activities once the
19 transfer from BellSouth's switch to the CLEC's switch is effectuated. BellSouth
20 witness Mr. Varner will discuss the specifics of performance data.
21

22 Q. PLEASE ADDRESS HOW THE PROCESS CHANGES WHEN COSMIC
23 FRAMES OR MULTIPLE FRAMES ARE INVOLVED IN THE CUT.
24
25

1 A. First, let me explain that the so-called "COSMIC" frame is a newer style modular
2 Main Distributing Frame ("MDF") whose assignment records are housed in a
3 system called SWITCH/FOMS ("Frame Order Management System"). Using a
4 "punch down tool" on this style frame, temporary connections referred to as
5 "jumpers" are made by punching the jumper wire onto special terminals that strip
6 the insulation and cut off any excess jumper wire in one stroke. This takes less
7 time than for older style frames that required soldered connections or so-called
8 "wire wrapped" connections. Wire wrapped connections required a special tool
9 that wound the jumper wire around a metal terminal once the technician had
10 removed the plastic insulation from the jumper wire. SWITCH/FOMS also
11 contains assignment algorithms meant to minimize the length of jumpers
12 connecting loops and switch ports thereby reducing work times required to place
13 jumpers. Thus, work times to complete required activities for an unbundled loop
14 order and the number of wiring connections that have to be made in the CO vary
15 depending on the frame type and/or the location of the demarcation point in a
16 particular CO between BellSouth's network and the CLEC's collocation
17 arrangement. The location of the demarcation influences work times because
18 the placement of the demarcation affects the total quantity of jumpers that
19 BellSouth's technicians must place to effectuate the transfer of an unbundled
20 loop. Non-designed loops can require from 1 to 3 jumpers to make the
21 connection from the CLEC demarcation point to the loops appearance on the
22 MDF while designed loops can require from 2 to 6 jumpers to make this
23 connection. Regardless of the arrangement, all of the jumpers are installed prior
24 to the actual hot cut occurring.

1 Q. HOW IS A CLEC NOTIFIED THAT BELL SOUTH HAS COMPLETED ITS
2 PORTION OF THE HOT CUT AND THAT THE CLEC SHOULD COMMENCE
3 ACTIVITIES TO PORT THE TELEPHONE NUMBER FROM BELL SOUTH'S
4 NETWORK TO THE CLEC'S NETWORK?

5
6 A. For coordinated hot cut conversions, the CLEC is directly notified by a telephone
7 call from CWINS Center personnel. This notification occurs after the conversion
8 is complete and takes place. From October 2002 to September 2003, BellSouth
9 averaged 1:35 minutes to notify the CLEC to port the number after the
10 conversions were completed. Exhibit KLA-2 sets forth the notification times for
11 the past year.

*KLA-2
for coord
HCS*

12
13 For non-coordinated conversions, BellSouth notifies the CLEC via facsimile or e-
14 mail (whichever the CLEC requests) at the completion of BellSouth's Network
15 technician's work activity. Remember, however, that non-coordinated hot cuts
16 only are an option for the CLEC for whom economics are of the utmost
17 importance. For CLECs who want virtually real-time notification, BellSouth
18 provides that option as well.

19
20 Q. WHEN DOES CLEC ACCEPTANCE OCCUR IN THE HOT CUT PROCESS?

21
22 A. Once BellSouth confirms CLEC acceptance, the BellSouth CWINS technician
23 completes the pending service orders in BellSouth's systems. The service order
24 also is completed in BellSouth's system if a default acceptance condition occurs.
25 Specifically, if the CLEC is notified before 3:00 p.m. that the hot cut is complete,

1 the CLEC has until 6:00 P.M. to accept. If the CLEC is notified of completion
2 after 3:00 P.M., the CLEC has until 12:00 P.M. of the next business day to accept
3 the hot-cut. If the hot-cut is not accepted within these timeframes, the orders are
4 closed by default acceptance.

5
6 Q. DOES THE HOT CUT PROCESS HAVE ANY NEGATIVE IMPACT ON E911,
7 NUMBER PORTABILITY ADMINISTRATION CENTER ("NPAC"),
8 PROVISIONING, REPAIR, BILLING, OR OTHER DATABASES?

9
10 A. No. Updates to the E911 database are triggered by disconnect orders closed in
11 Service Order Communication System ("SOCS"). These same disconnect
12 completions, along with the completion of all related orders, update all customer
13 service records in the downstream systems including the provisioning, repair and
14 billing information databases. BellSouth's process has no negative impact on the
15 NPAC database. Once the conversion orders are issued, BellSouth places a
16 concur message in the Local Number Portability ("LNP") gateway awaiting the
17 CLECs' subscription to create the port. Once the gateway receives the create
18 message from the CLEC, BellSouth will return the concur message that is
19 already pending in the gateway. This process allows the CLEC to activate the
20 port on the agreed upon date.

21
22 Q. IS BELL SOUTH'S INDIVIDUAL HOT CUT PROCESS EFFECTIVE?

23
24 A. Yes. This Commission and the FCC confirmed the effectiveness of BellSouth's
25 hot cut process during BellSouth's Section 271 Application approval process.

1 This Commission, eight other state commissions, and the FCC all found
2 BellSouth's hot cut process nondiscriminatory, timely, accurate, and effective.
3 Further, BellSouth's hot cut process was reviewed as part of the third party
4 testing performed by KPMG. That testing confirmed that BellSouth adhered to its
5 process.

6
7 Q. WAS THE HOT CUT PROVISIONING PROCESS REVIEWED DURING THE
8 FLORIDA OPERATIONAL SUPPORT SYSTEM ("OSS") THIRD PARTY TEST?

9
10 A. Yes. BearingPoint, formerly KPMG Consulting, did review the hot cut
11 provisioning process during the Florida Test. They assessed it from a process
12 standpoint in the PPR-9 Test Report Section which can be found beginning on
13 page 423 of the Florida Test Final Report. Additionally, they observed live hot
14 cuts both from a BellSouth and a CLEC perspective in the TVV-4 Test Report
15 which can be found beginning on page 448 of the Florida Test Final Report. The
16 evaluation criteria or test points for the hot cut observations can be found
17 beginning on page 458 of the report.

18
19 Q. WHAT WERE THE FINDINGS OF THE FLORIDA TEST FINAL REPORT?

20
21 A. BearingPoint determined that BellSouth had an adequate and effective loop
22 conversion or hot cut process. They found and reported on page 448 that:

23
24 "Loop Conversions (also referred to as Loop Migrations or Hot Cuts) – Existing
25 BellSouth lines are migrated to the ALEC collocation facility inside a BellSouth

1 central office. BellSouth frame technicians migrate the lines at the main
2 distribution frame (MDF) on the due date. The conversion is expected to occur on
3 the Frame Due Date for non-coordinated conversions. During coordinated
4 conversions, the cut occurs on the Frame Due Date and starts at the Frame Due
5 Time (FDT) as indicated on the LSR. Cases involving Integrated Loop Carrier
6 (IDLC) migrations require outside technicians to perform field work on the due
7 date and time.”
8

9 To establish that this process was adequate to migrate CLEC customers,
10 BearingPoint observed live hot cuts. For many of hot cut observations, CLECs
11 conducting business in Florida allowed BearingPoint to observe commercial
12 installations of their orders. Data was also gathered during field inspections of
13 hot cut activities in BellSouth central offices and from the CWINS Center. This
14 data was logged and analyzed to determine if BellSouth's hot cut process along
15 with its methods and procedures were adequate for the migration of customers
16 from a BellSouth switch to a CLEC switch.
17

18 Beginning on page 458 of the Florida Test Final Report, BearingPoint listed their
19 specific test points or evaluation criteria. First, they assessed whether the
20 BellSouth technicians provisioned hot cuts in accordance with documented
21 methods and procedures. BearingPoint observed live hot cuts and determined
22 that the BellSouth technicians satisfactorily provisioned the hot cuts in
23 accordance with BellSouth documented methods and procedures. Second,
24 BearingPoint assessed BellSouth's performance from an SQM perspective. To
25 achieve this, BearingPoint evaluated BellSouth's ability to meet the coordinated

customer conversion interval performance benchmark which is the P-7 SQM. Additionally, BearingPoint assessed the P-7A SQM metric for Coordinated Customer Conversions, the P-3 SQM metric for Percent Missed Installation Appointments, the P-9 SQM metric for Percentage Troubles received within 30 Days of Service Order Completion, and the P-7C SQM metric for Percent Provisioning Troubles Received Within Seven Days of a Completed Service Order. For each measure, BearingPoint found that BellSouth indeed exceeded the benchmark or parity standard for the observations that they assessed during the test period. At the end of the testing, BearingPoint was able to confirm the adequacy and effectiveness of BellSouth's hot cut process by rating each of the test points or evaluation criteria as satisfied. This satisfactory rating provides an endorsement for BellSouth's hot cut process.

Q. IS THERE COMMERCIAL USAGE OF BELL SOUTH'S INDIVIDUAL HOT CUT PROCESS?

A. Certainly. As the FCC has repeatedly held, the most probative evidence of the availability of a functionality is actual commercial usage. *Bell Atlantic New York Order*, at ¶ 89. BellSouth has performed over 300,000 hot cuts between November 2000 and September 2003. Recently, in Florida, BellSouth converted over 200 lines for a single CLEC in one (1) central office on a single day. On the same day, BellSouth converted a total of over 400 lines in six (6) central offices in the same general area for the same CLEC. This level of commercial usage alone demonstrates BellSouth's ability to perform hot cuts at existing and foreseeable volumes.

1 Q. HOW IS BELL SOUTH'S PERFORMANCE ON COORDINATED HOT CUTS?

2

3 A. Superior. BellSouth witness Alphonso Varner discusses BellSouth's
4 performance in detail, but I can tell you that BellSouth has performed at a very
5 high level of consistency and quality in regards to hot cuts. For the period
6 September 2002 through August 2003, BellSouth performed approximately
7 23,014 coordinated hot cuts in Florida. Of these, 99.92% of the hot cuts were
8 completed within 15 minutes, which exceeds the Commission-approved
9 benchmark of 95%.

10

11 Q. THE FCC INDICATED THAT NEITHER THE STATE'S NOR FCC'S 271
12 APPROVAL IS APPLICABLE TO A SITUATION IN WHICH CLECS WILL NOT
13 HAVE UNBUNDLED CIRCUIT SWITCHING OR UNE-P. DO YOU AGREE?

14

15 A. No. This Commission reviewed BellSouth's hot cut process and determined that
16 it provided CLECs non-discriminatory access to UNE loops. The fact that
17 volumes of UNE loops may increase does not change the fact that BellSouth's
18 process is nondiscriminatory and complies with all of BellSouth's obligations
19 under the Act as this Commission and the FCC confirmed. The Commission
20 does not need to revisit the process -- rather, if the Commission confirms that, as
21 BellSouth witness Mr. Heartley and I demonstrate, BellSouth's process is fully
22 scalable to meet forecasted demands, then the process is compliant.

23

24 C. BellSouth's Project Hot Cut Process

25

1 Q. PLEASE DESCRIBE BELL SOUTH'S PROJECT HOT CUT PROCESS.

2

3 A. Project conversions are available when the CLEC seeks to convert 15 or more
4 lines to the same end-user. When the CLEC requests a project conversion for
5 fifteen or more loops to be provisioned on a single individual order, a CWINS
6 Center technician and a Project Manager are assigned to the order and the order
7 is identified in the WFA system for Due Date tracking. The CWINS Center
8 technician or Project Manager reviews the order for accuracy and queries
9 associated systems for order status. The CWINS Center technician or Project
10 Manager contacts the CLEC prior to the due date to confirm or negotiate the
11 actual due date conversion time. The CWINS Center technician or Project
12 Manager then contacts any associated work group to schedule the conversion.

13

14 On the Due Date, the CWINS technician verifies that the required personnel are
15 scheduled for the conversion time. The CWINS Center technician sets up
16 communications with required conversion personnel to begin service cutover to
17 the CLEC. Upon completion of the cutover activity, the CLEC is notified. With
18 CLEC concurrence, the service order is completed.

19

20 The CWINS Center technician completes the order in BellSouth's systems after
21 concurrence of the CLEC. Any trouble conditions, made known by the CLEC,
22 related to the conversion are resolved with the CLEC before the order is closed.

23

24 Q. IS THE PROVISIONING PROCESS FOR PROJECT HOT CUTS THE SAME AS
25 FOR INDIVIDUAL HOT CUTS?

1 A. Yes. The "*Project Manager Implementation Guidelines*" posted on the Guides
2 website http://www.interconnection.bellsouth.com/guides/html/other_guides.html,
3 provides product-specific information.

4
5 **D. BellSouth's Batch Hot Cut Process**

6
7 Q. PLEASE DESCRIBE BELL SOUTH'S BATCH HOT CUT PROCESS.

8
9 A. BellSouth's "UNE-P to UNE-L Bulk Migration" is a batch hot cut process that
10 CLECs may use when migrating existing multiple non-complex UNE-P services
11 to a UNE-L offering. The batch hot cut process offers electronic ordering
12 capability and adds project-management services to the basic proven hot cut
13 provisioning process.

14
15 With respect to electronic ordering, CLECS can submit the Bulk Migration
16 Request electronically, which allows the migration of multiple UNE-Ps to a UNE-L
17 offering without submitting individual LSRs. BellSouth witness Mr. Pate
18 describes this ordering mechanism in his direct testimony. I will address the
19 project management services that are included in BellSouth's batch hot cut
20 process in greater detail below.

21
22 Q. HOW DOES THE BATCH MIGRATION PROCESS WORK?

23
24 A. During the pre-ordering process, the CLEC submits a Notification Form to
25 BellSouth's CCPM for UNE-P accounts to be converted to UNE-L within a single

1 wire center. The Customer Care Project Manager ("CCPM") reviews the
2 Notification Form for errors and assigns a Bulk Order Project Identifier ("BOPI")
3 and forwards the Notification Form to the Network Single Point of Contact
4 ("SPOC") who assigns due dates to accounts and returns the Notification Form to
5 the CCPM, who then returns the Notification Form to the CLEC.
6

7 Q. DURING THE PRE-ORDERING PROCESS, ARE THERE SPECIFIC
8 INTERVALS FOR THE RETURN OF THE NOTIFICATION FORM TO THE
9 CLEC?
10

11 A. Yes. Those intervals are as follows:

- 12 • Up to 99 Telephone Numbers, 7 business days
- 13 • 100 – 199 Telephone Numbers, 10 business days
- 14 • 200 or more Telephone Numbers, the CCPM will negotiate with SPOC
- 15 • Multiple Batch Requests from multiple CLECs may be submitted
16 simultaneously
- 17 • Maximum Telephone Numbers per Batch Request is $99 \times 25 = 2475$
18

19 Q. WHEN IS THE FIRST DUE DATE ASSIGNED?
20

21 A. The first due date to be assigned by the SPOC will be a minimum of 17 business
22 days after the Notification Form is returned to the CLEC. In other words, there
23 are 3 days for the CLEC to submit a clean bulk LSR into their electronic system
24 and then there is a minimum of 14 days after the LSR is submitted to the first
25 service order due date.

1 The ordering activity is such that the LCSC will use its normal process to handle
2 orders that fall out for manual or partial handling.

3
4 Q. PLEASE DESCRIBE THE ROLE THE PROJECT MANAGER PLAYS IN THE
5 BATCH MIGRATION PROCESS AND THE EFFICIENCIES GAINED FROM
6 PROJECT-MANAGEMENT.

7
8 A. The role of the project manager in the batch migration process is to be the SPOC
9 as the liaison between the CLEC and network operations. They coordinate due
10 dates, advise of potential delays or problems, and advise of completion of the
11 project. In the batch hot cut provisioning process, the BellSouth CCPM provides
12 CWINS and the network operations group with notification of planned bulk
13 activity, monitors status of the order(s), interfaces with the CLEC and Bellsouth
14 groups during the process, and tracks orders and the project until it is complete.
15 The project manager is the party responsible in the first instance for ensuring
16 successful completion of the process.

17
18 Q. PLEASE DESCRIBE THE PROVISIONING PROCESS IN THE BATCH
19 MIGRATION PROCESS.

20
21 A. The batch hot cut process provisioning process is the same as the individual hot
22 cut provisioning process. The benefits of this are obvious – the CLEC is afforded
23 access to the same nondiscriminatory, 271-compliant process that this
24 Commission approved only last fall.

1 Q. WILL BELLSOUTH PROVIDE THE CLEC A WINDOW OF TIME WITHIN
2 WHICH BATCH HOT CUTS WILL BE COMPLETED?

3
4 A. Yes. Because the batch hot cut process provides the assistance of the CCPM, a
5 CLEC may request, through the project manager, that some of their coordinated
6 conversions, such as business accounts, be converted within a specified window
7 of time. The project manager will work with the centers and network groups to
8 make best efforts to accommodate the request.

9
10 A CLEC also may request work outside normal business hours, to be handled on
11 a special project basis and negotiated through a CCPM. As with all special
12 projects, this work would be subject to overtime billing as specified in the parties'
13 interconnection agreement.

14
15 Q. IS THE BATCH HOT CUT PROCESS MORE EFFICIENT FOR THE
16 CONVERSION OF AN EMBEDDED BASE OF UNE-P ORDERS TO UNE-L
17 ORDERS?

18
19 A. Yes, because it was designed specifically to handle large conversions of UNE-P
20 to UNE-L such as will be accomplished in the conversion of the embedded base.

21
22 Q. IS THERE COMMERCIAL USAGE OF BELLSOUTH'S BATCH HOT CUT
23 PROCESS?

1 A. Yes. Since bulk migration has been made available, there has been limited
2 activity requested by the CLECs. However, at the time of this filing, BellSouth
3 currently has a total of five (5) bulk migration requests pending. Four (4) bulk
4 migration requests have been successfully ordered and completed.

5
6 Q. IN ADDITION TO OPERATIONAL EFFICIENCIES, ARE THERE RATE
7 ADVANTAGES TO THE BATCH PROCESS?

8
9 A. Yes. The rate for the batch hot cut is discussed in the testimony of BellSouth
10 witness John Ruscilli.

11
12 Q. DOES BELLSOUTH'S BATCH HOT CUT PROCESS INCLUDE LOOPS
13 SERVED BY INTEGRATED DIGITAL LOOP CARRIER ("IDLC")?

14
15 A. Yes. IDLC is a special version of DLC that does not require a host terminal in the
16 central office, sometimes referred to as the COT, but instead terminates the
17 digital transmission facilities directly into the central office switch. In its Texas
18 271 Decision, the FCC found that "the BOC must provide competitors with
19 access to unbundled loops regardless of whether the BOC uses integrated digital
20 loop carrier (IDLC) technology or similar remote concentration devices for the
21 particular loops sought by the competitor." Memorandum Opinion and Order,
22 *Application by SBC Communications Inc., et al., Pursuant to Section 271 of*
23 *Telecommunications Act of 1996 to Provide In-Region, InterLATA Services in*
24 *Texas*, 15 FCC Rcd 18354, ¶ 248 (2000) ("*Texas Order*"). BellSouth provides
25 access to such IDLC loops via the following methods:

- 1 • Alternative 1: If sufficient physical copper pairs are available, BellSouth
2 will reassign the loop from the IDLC system to a physical copper pair.
- 3 • Alternative 2: Where the loops are served by Next Generation Digital Loop
4 Carrier ("NGDLC") systems, BellSouth will "groom" the integrated loops to
5 form a virtual Remote Terminal ("RT") arranged for universal service (that
6 is, a terminal which can accommodate both switched and private line
7 circuits). "Grooming" is the process of arranging certain loops (in the input
8 stage of the NGDLC) in such a way that discrete groups of multiplexed
9 loops may be assigned to transmission facilities (in the output stage of the
10 NGDLC). Both of the NGDLC systems currently approved for use in
11 BellSouth's network have "grooming" capabilities.
- 12 • Alternative 3: BellSouth will remove the loop distribution pair from the
13 IDLC and re-terminate the pair to either a spare metallic loop feeder pair
14 (copper pair) or to spare universal digital loop carrier equipment in the
15 loop feeder route or Carrier Serving Area ("CSA"). For two-wire Integrated
16 Services Digital Network ("ISDN") loops, the Universal Digital Loop Carrier
17 ("UDLC") facilities will be made available through the use of Conklin
18 BRITEMux or Fitel-PMX 8uMux equipment.
- 19 • Alternative 4: BellSouth will remove the loop distribution pair from the
20 IDLC and re-terminate the pair to utilize spare capacity of existing
21 Integrated Network Access ("INA") systems or other existing IDLC that
22 terminates on Digital Cross-connect System ("DCS") equipment.
23 BellSouth will thereby route the requested unbundled loop channel to a
24 channel bank where it can be de-multiplexed for delivery to the requesting
25 CLEC or for termination in a DLC channel bank in the central office for

1 concentration and subsequent delivery to the requesting CLEC.

- 2 • Alternative 5: When IDLC terminates at a switch peripheral that is capable
3 of serving "side-door/hairpin" capabilities, BellSouth will utilize this switch
4 functionality. The loop will remain terminated directly into the switch while
5 the "side-door/hairpin" capabilities allow the loop to be provided
6 individually to the requesting CLEC.
- 7 • Alternative 6: If a given IDLC system is not served by a switch peripheral
8 that is capable of side-door/hairpin functionality, BellSouth will move the
9 IDLC system to switch peripheral equipment that is side-door capable.
- 10 • Alternative 7: BellSouth will install and activate new UDLC facilities or
11 NGDLC facilities and then move the requested loop from the IDLC to
12 these new facilities. In the case of UDLC, if growth will trigger activation of
13 additional capacity within two years, BellSouth will activate new UDLC
14 capacity to the distribution area. In the case of NGDLC, if channel banks
15 are available for growth in the CSA, BellSouth will activate NGDLC unless
16 the DLC enclosure is a cabinet already wired for older vintage DLC
17 systems.
- 18 • Alternative 8: When it is expected that growth will not create the need for
19 additional capacity within the next two years, BellSouth will convert some
20 existing IDLC capacity to UDLC.

21
22 The eight (8) alternatives for giving a CLEC access to loops served by IDLC
23 listed above are listed in order of complexity, time, and cost to implement. The
24 simplest is listed first and the most complex, lengthy, and costly to implement
25 listed last. Also, Alternative 1 and the copper loop solution of Alternative 3 do not

1 add additional Analog to Digital conversions. When a CLEC orders a loop,
2 BellSouth delivers that loop to the specifications ordered by the CLEC. Thus,
3 ordinarily BellSouth chooses the method for delivering the loop meeting the
4 ordered specification without involving the CLEC.

5
6 Q. WHAT HAPPENS IF ONLY ALTERNATIVES 7 OR 8 ARE AVAILABLE?

7
8 A. In that scenario, which BellSouth anticipates occurring very infrequently,
9 BellSouth will provide the CLEC two choices – the CLEC may pay special
10 construction charges to build the necessary facilities, or BellSouth will provide the
11 CLEC a UNE-P at the TELRIC rate. BellSouth only will make the second of
12 these options available in those areas in which it receives relief from unbundled
13 switching.

14
15 Q. HAS THIS COMMISSION REVIEWED THESE EIGHT (8) ALTERNATIVES
16 PREVIOUSLY?

17
18 A. Yes. All nine of BellSouth's states and the FCC considered and approved these
19 eight (8) alternatives for providing unbundled loops served via IDLC during
20 BellSouth's Section 271 applications.

21
22 a. **SCALABILITY OF BELL SOUTH'S HOT CUT PROCESSES**

1 Q. IS BELL SOUTH'S INDIVIDUAL AND/OR BATCH HOT CUT PROCESS
2 SCALABLE TO MEET LOAD DEMAND THAT MIGHT RESULT IF BELL SOUTH
3 RECEIVES UNBUNDLED SWITCHING RELIEF?
4

5 A. Absolutely. BellSouth's systems and processes are scalable and the capacity of
6 those systems and processes may be readily increased as demand warrants. I
7 will address the scalability of the centers involved in the hot cut process, while
8 BellSouth witnesses Pate and Heartley address the scalability of the OSS and
9 network forces, respectively.
10

11 BellSouth's performance measurements demonstrate that BellSouth's LCSC and
12 CWINS organizations are staffed sufficiently to handle the current volumes of
13 unbundled loop orders. They also establish that BellSouth has scaled its
14 resources as necessary to handle changes in volumes of such orders over the
15 years. More fundamentally, the outstanding performance of the LCSC and
16 CWINS in handling both steady growth and spikes in demand makes clear that
17 BellSouth will continue to staff its LCSC and CWINS organizations sufficiently to
18 handle any reasonably foreseeable demand for hot cut conversions.
19

20 Finally, BellSouth has a strong incentive to ensure that the LCSC and CWINS
21 are adequately staffed to meet demand for all order types, including hot cut loops
22 in that BellSouth remains subject to penalties and voluntary payments under its
23 Self Effectuating Enforcement Measurements ("SEEMs") plan for performance
24 failures.
25

1 Q. FOR WHAT VOLUME LEVELS ARE THE CENTERS CURRENTLY STAFFED?

2

3 A. Current staffing of the LCSC and CWINS were predicated on expectation of
4 higher UNE loop conversion volumes than currently exist. There are three (3)
5 dedicated LCSCs (located in Atlanta, Georgia, Birmingham, Alabama and
6 Fleming Island, Florida) serving the CLEC community for preordering and
7 ordering. Further, there are two (2) dedicated CWINS operational centers
8 (located in Birmingham and Fleming Island) to perform hot cut coordination,
9 when required. These operational groups have currently redirected resources
10 due to lower than expected UNE conversion volumes. That means these
11 operational groups have the available capacity to reallocate these personnel at
12 such time that the UNE conversion volumes increase.

13

14 Q. CAN CENTERS PERSONNEL BE REALLOCATED AS PRODUCT DEMAND
15 CHANGES WITHOUT ADDITIONAL STAFFING?

16

17 A. Yes. The LCSC and CWINS personnel provide support across the entire range
18 of wholesale products and services BellSouth makes available. Any increase in
19 hot cut volumes resulting from the absence of UNE switching presumably would
20 be accompanied by a decrease in order types that rely on UNE switching (i.e.,
21 UNE-P), such that the resources currently dedicated to one could then be
22 devoted to the other. Initially, LCSC service reps are hired and trained in a single
23 product type, for example, residential resale or simple business resale or UNE-P.
24 As service representatives become more proficient with their initial discipline,
25 additional training to handle other types of order requests is provided. With this

1 cross training, many LCSC service representatives are able to handle multiple
2 types of service order requests thus enabling the LCSC organization to move
3 service representatives from one function to another. CWINS employees
4 complete various levels of technical classroom training, in addition to receiving
5 CWINS-specific training on the CLEC products or functions they are assigned to
6 support. CWINS employees therefore are capable of handling provisioning,
7 maintenance, and repair functions for a variety of wholesale products with
8 minimal additional on-the-job training. The CWINS reallocates its employees
9 among products as necessary to handle shift in demand.
10

11 Q. IF UNBUNDLED CIRCUIT SWITCHING IS ELIMINATED IN CERAIN AREAS,
12 HOW WILL BELL SOUTH MEET THE DEMAND?
13

14 A. The LCSC and CWINS organizations use sophisticated force models to ensure
15 that their operations are adequately staffed to meet anticipated CLEC demand.
16 BellSouth's sustained level of performance for both UNE loops and hot cuts
17 validates that the current force models have been successful in meeting CLEC
18 service order demand with quality and reliability.
19

20 Q. DID BELL SOUTH DO A FORCE MODEL TO ANTICIPATE STAFFING NEEDS
21 ASSUMING THE ELIMINATION OF UNBUNDLED CIRCUIT SWITCHING?
22

23 A. Yes. Using an estimated volume of UNE-L orders that I will discuss later,
24 BellSouth ran the centers force model to determine anticipated staffing needs
25 assuming a worst case scenario.

1 Q. DOES BELLSOUTH OBTAIN CLEC FORECASTS TO ASSIST IN SCALING ITS
2 WORK FORCE?

3
4 A. BellSouth attempts to obtain such forecasts. Accurate and timely CLEC
5 forecasts help BellSouth plan for future hot cut volumes, but are not required for
6 the operation of its force models. CLECs are requested to provide a forecasted
7 number of unbundled loops a minimum of 30 days prior to submitting their first
8 unbundled loop order. After CLECs order their first unbundled loop, BellSouth
9 requests six-month interval forecasts by unbundled loop type and wire center.
10 Accurate and timely forecast information is helpful in assisting BellSouth meet
11 projected hot cut volumes; however, BellSouth force models are not dependent
12 upon receipt of such forecasts because CLECs generally do not provide such
13 forecasts.

14
15 Rather, as noted above, the force models automatically factor demand
16 projections based on historical trends into LCSC/CWINS staffing requirements.
17 BellSouth makes adjustments, as necessary, to handle sudden increases in
18 volume – and undertakes hiring initiatives as soon as it becomes apparent that
19 additional resources will be necessary to handle anticipated future demand.
20 Nonetheless, CLECs could help BellSouth anticipate and fulfill future staffing
21 needs by providing timely and accurate forecasts, especially for substantial
22 increases in volumes.

23
24 Q. WHAT DO YOU MEAN BY “WORST CASE” SCENARIO?

25

1 A. I am not using the term "worst case" in a negative or judgmental manner.
2 Rather, I am using it simply to refer to the maximum amount of hot cuts that the
3 LCSCs and CWINS Centers would reasonably be expected to handle if the
4 following were to occur:
5 1. This Commission finds that CLECs are not impaired without unbundled
6 switching (and thus, UNE-Ps) in any market in BellSouth's nine-state region.
7 2. CLECs decide to convert the totality of their UNE-P base to unbundled loops
8 attached to the CLECs' switches rather than BellSouth's switches.
9 3. UNE-P growth and UNE-L growth is maintained throughout the relevant
10 period for the absolute highest volumes of each that has occurred at any time
11 in the last 33 months that BellSouth has maintained records.
12

13 Q. WHAT MONTHLY VOLUME OF UNE-P TO UNE-L CONVERSIONS RESULTS
14 FROM YOUR ASSUMPTIONS?
15

16 A. The "worst case" monthly volume of hot cuts (except for adjustments to that
17 volume that I will discuss later in this testimony) is 317,998 across the entirety of
18 BellSouth's nine-state region. The following explains how I arrived at that value:
19
20 The highest single-month volume of UNE-Ps added (116,295) occurred in June
21 2002. The highest single-month volume of UNE-L inward movement added
22 (19,029) occurred in January 2001. These "highest ever" volumes were
23 assumed as monthly growth going forward. The pictorial in Exhibit KLA-3, which
24 is attached to this testimony, depicts how those volumes grow over time.
25

1 Following is a brief explanation:

2 In October 2003, there were about 2.21million UNE-Ps in service region-wide.
3 Projecting forward for nine (9) months to July 2004 (the earliest expected
4 decision by a Public Service Commission in BellSouth's region), there would be
5 3.26 million UNE-Ps in service ($2.21\text{M} + (9 * 116,295)$). However, because the
6 conversion of a BellSouth retail account to a UNE-P arrangement does not
7 require a hot cut, the monthly volume expected in July 2004 is equal to the
8 quantity of "stand-alone" unbundled loops requested (19,029).

9
10 Assuming that in July 2004, all nine Commissions in BellSouth's region decided
11 that CLECs are not impaired without unbundled switching and that CLECs may
12 continue to request UNE-Ps for an additional five (5) months, the expected
13 quantity of UNEP-s in service in December 2004 would be 3.84 million. This
14 level of UNE-Ps becomes the "embedded base" which later will be converted to
15 stand-alone unbundled loops via the hot cut process. For the next eight (8)
16 months, the monthly volume of hot cuts would rise to 135,324. This is the sum of
17 the "worst case" unbundled loop volume (19,029) plus the "worst case" monthly
18 growth for UNE-Ps (116,295).

19
20 Beginning in August 2005, BellSouth would begin the transition of the embedded
21 base of UNE-Ps (3.84 million) plus handle the "worst case" monthly unbundled
22 loop volume (19,029) and the "worst case" monthly UNE-P growth volume
23 (116,295). During each of the subsequent seven-month intervals, BellSouth
24 would migrate one third of the embedded base. Thus, the "worst case" monthly
25 hot cut volume at the region level would be 317,998 (that is, $19,029 + 116,295 +$

1 ((3.84M * 0.333)/7))

2

3 Because on average there are 22.3 business days per month, the daily volume
4 becomes 14,260 (that is, 317,998 / 22.3) at the regional level.

5

6 Q. WHAT OTHER ADJUSTMENTS TO ANTICIPATED VOLUMES HAVE YOU
7 ASSUMED?

8

9 A. During CLEC workshops, CLECs have suggested that two adjustments should
10 be made to increase the anticipated volume of hot cuts by including: (1) some
11 level of "churn" from one local carrier to another; and (2) increased trouble
12 reports for unbundled loops compared to UNE-P arrangements. While I do not
13 necessarily agree with the CLECs' suggestions, I have included those
14 adjustments to prove my point that BellSouth can expand its LCSC and CWINS
15 groups to handle hot cut volumes even when these additional factors are taken
16 into account. . Accordingly, I made an upward adjustment of 4% churn per
17 month (48%) per year and an upward adjustment of 5% increased trouble report
18 rate. I treated these adjustments as if they resulted in additional hot cuts (again,
19 a "worst case" assumption) and the resultant monthly volume for hot cuts rose to
20 347,254 per month (15,572 per business day).

21

22 Q. WHAT ARE THE CENTERS' INPUTS TO THE FORCE MODEL?

23

24 A. In order to ensure adequate staffing of the centers supporting CLECs, BellSouth
25 utilizes a work force model to anticipate staffing needs based on historical trends,

1 time and motion studies, internal forecasts and targeted benchmarks. The work
2 force model provides a means to assure adequate staffing of BellSouth's LCSC
3 and CWINS operations. The models utilize a forward-looking view of activity by
4 product type, which allows BellSouth sufficient time to hire and train personnel in
5 anticipation of any increase in activity. The force model has proved reliable. It
6 allowed BellSouth staff to meet tighter benchmarks for Firm Order Confirmations
7 ("FOCs") and rejects for partially mechanized orders. BellSouth has clearly
8 demonstrated, through its performance data, that the infrastructure to handle
9 increasing levels of orders is in place and functioning at a very high level.

10
11 Q. WHAT ARE THE CENTERS' STAFFING REQUIREMENTS FROM THE
12 MODEL?

13
14 A. Using daily volumes for Florida (29% of all the UNE-Ps in BellSouth's region)
15 means that BellSouth would have to hire and train 425 technicians in the CWINS
16 Centers and 105 service representatives in the LCSCs. Again we have assumed
17 a worst-case scenario for the CWINS Centers that 50% of the migrations would
18 be coordinated and thus would require CWINS involvement. BellSouth expects
19 the number of coordinated migrations to be much less than this.

20
21 Q. HOW CAN THE CENTERS MEET THESE PROJECTED STAFFING LEVELS?

22
23 A. Force and load management is something BellSouth has been doing for
24 decades. BellSouth would hire the additional force by engaging its Human
25 Resources Department. Human Resources would advertise the jobs in local

1 media and conduct job fairs and testing events to screen applicants. Human
2 Resources would require 90 days from notification to employees being added to
3 the payroll.

4

5 Q. HAS BELLSOUTH EVER HIRED CENTER PERSONNEL IN SUCH VOLUMES
6 BEFORE?

7

8 A. Yes. During the time period 1998-2001, BellSouth hired and trained
9 approximately 2,000 service representatives and technicians for its Wholesale
10 operations.

11

12 Q. DOES BELLSOUTH HAVE TO HIRE ALL OF THESE PEOPLE AT ONCE?

13

14 A. No. The transition period for the embedded base of UNE-Ps in the Order is
15 almost two years away (August 2005) as shown in Exhibit KLA-3, so BellSouth
16 has an extended period of over which to add force if needed.

17

18 Q. ARE THESE FORECASTED VOLUMES REALISTIC?

19

20 A. No. First, as other BellSouth witnesses describe, BellSouth only is seeking
21 elimination of unbundled circuit switching in certain areas of the state. Thus,
22 BellSouth's assumption of UNE-L orders is high in that unbundled UNE-P will
23 continue to be available in some areas of the state. Second, whenever it had a
24 choice, BellSouth used the highest volume value available – highest UNE-Ps in a
25 month etc. The point, however, is that if BellSouth can scale its forces to meet

1 the most unrealistic demand, it certainly can scale its forces to meet a more
2 realistic demand.

3
4 **b. REGIONALITY OF BELL SOUTH'S PROCESSES**

5
6 **Q. ARE BELL SOUTH'S HOT CUT PROCESSES REGIONAL?**

7
8 **A.** Yes. In the 271 cases, state commissions and the FCC held that BellSouth's
9 OSS (pre-ordering, ordering, provisioning, maintenance and repair, and billing)
10 are regional. For example, in the FCC's Five-state Order, (WC Docket No. 02-
11 260, ¶130) the FCC held "We find that BellSouth, through the Pricewaterhouse
12 Coopers (PwC) report, provides evidence that its OSS in Georgia are
13 substantially the same as the OSS in each of the five states."

14
15 Further, in CC Docket No. 02-35 (GA/LA Order) at ¶111, the FCC held that "[t]he
16 record indicates ... BellSouth has provided detailed information regarding the
17 "sameness" of BellSouth's systems in Georgia and Louisiana, including their
18 manual systems and the way in which BellSouth personnel do their jobs.
19 Accordingly, we find that BellSouth, through the PwC audit and its attestation
20 examination, provides evidence that its OSS in Georgia are substantially the
21 same as the OSS in Louisiana. We shall consider BellSouth's commercial OSS
22 performance in Georgia and the Georgia third-party test to support the Louisiana
23 application and rely on Louisiana performance to support the Georgia
24 application."

1 Q. DOES BELLSOUTH PERFORM ITS HOT CUT PROCESSES THE SAME WAY
2 IN ALL NINE OF ITS STATES?

3

4 A. Yes it does.

5

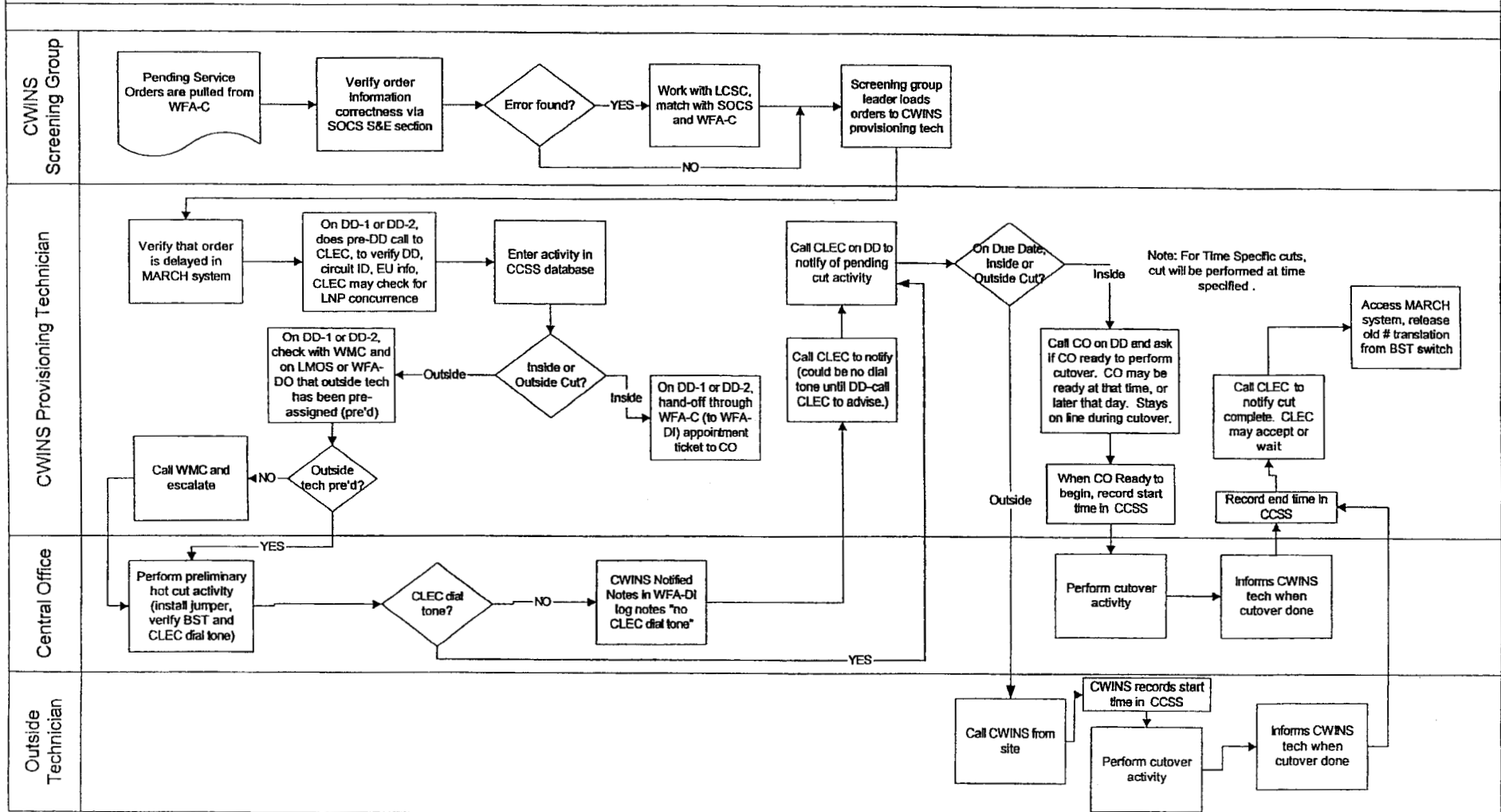
6 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

7

8 A. Yes.

9

Provisioning Process Flow (Coordinated cuts)



Hot Cut Report Notification Summary

BellSouth Telecommunications, Inc.
Florida Public Service Docket No. 030851-TP
Exhibit KLA-2
Page 1 of 1

Average time from Cut Completion to CLEC Notification (HRS:MIN:SEC)

State	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	12 Mo Avg
AL		0:01:00	0:02:00	0:00:30	0:01:00		0:00:20	0:00:00	0:00:00	0:01:00			0:00:35
FL	0:01:57	0:01:29	0:01:18	0:01:13	0:01:10	0:01:06*	0:01:11	0:01:15	0:02:59	0:01:02	0:03:25	0:00:59	0:01:35
GA	0:01:47	0:02:06	0:01:23	0:13:56	0:11:41	0:01:11	0:01:22	0:01:08	0:01:56	0:01:47	0:01:03	0:00:59	0:02:16
KY				0:02:00				0:02:00				0:01:00	0:01:40
LA	0:01:08	0:01:32	0:02:20	0:01:31	0:01:30	0:01:34	0:01:37	0:01:19	0:01:41	0:02:03	0:02:05	0:02:05	0:01:41
MS	0:17:00	0:01:20	0:01:06	0:01:27	0:01:20	0:01:47	0:00:38	0:01:40	0:02:33	0:01:24	0:01:26	0:01:25	0:03:09
NC/SC	0:01:22	0:01:31	0:01:04	0:01:42	0:02:00	0:01:15	0:02:05	0:01:26	0:01:33	0:01:30	0:02:04	0:01:03	0:01:35
TN	0:01:37	0:01:55	0:02:33	0:01:35	0:01:35	0:01:47	0:02:02	0:01:32	0:01:14	0:01:45	0:01:43	0:01:14	0:01:44
Grand Total	0:01:57	0:01:33	0:01:25	0:02:25	0:02:33	0:01:14	0:01:28	0:01:18	0:02:22	0:01:25	0:02:19	0:01:03	0:01:43

Percent Notifications in 5 minutes or less

State	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	12 Mo Avg
AL		100.0%	100.0%	100.0%	100.0%		100.0%	100.0%	100.0%	100.0%			100.0%
FL	92.3%	97.4%	99.0%	98.8%	99.2%	99.1%	99.5%	99.0%	99.4%	99.5%	99.2%	98.8%	98.2%
GA	96.7%	97.9%	98.9%	97.8%	99.2%	99.2%	97.7%	99.5%	99.2%	98.0%	99.2%	99.6%	98.7%
KY				100.0%				100.0%				100.0%	100.0%
LA	100.0%	97.0%	96.8%	100.0%	97.6%	97.0%	97.4%	99.2%	94.7%	94.9%	94.0%	90.8%	96.6%
MS	85.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	77.8%	100.0%	100.0%	100.0%	96.9%
NC/SC	97.9%	97.5%	100.0%	94.4%	92.3%	98.9%	97.1%	98.9%	98.5%	97.6%	94.6%	99.4%	97.2%
TN	98.9%	93.9%	91.9%	98.7%	98.0%	97.5%	93.5%	95.3%	100.0%	98.2%	97.7%	100.0%	96.6%
Grand Total	94.0%	97.3%	98.5%	98.1%	98.0%	98.8%	98.1%	98.8%	98.7%	98.5%	98.2%	98.8%	98.0%

* One order was removed from the Florida data for March 2003. There was a systems anomaly on this order that caused the results to be skewed.

Hot cut work load calculation

UNE-P growth per month = 116,295

UNE-L growth per month = 19,029

BellSouth Telecommunications, Inc
Florida Public Service Docket No.030851-TP

Exhibit KLA-3

Page 1 of 1

October 2003

UNE-Ps in service = 2.21M.

Continue UNE-P growth

For 9 months

Hot cuts per month = 19,029

(Note 1)

July 2004

UNE-Ps in service = 3.26M

PSC Decision

Continue UNE-P growth

For 5 months

Hot cuts per month = 19,029

(Note 1)

December 2004

UNE-Ps in service = 3.84M

No new UNE-Ps. All growth

Becomes UNE-L

For 8 months

Hot cuts per month = 135,324

(Note 2)

August 2005

UNE-Ps in service = 4.77M

Convert 1/3 of UNE-Ps to UNE-L.

Handle UNE-L growth

For 7 months

Hot cuts per month =

317,998

(Note 3)

March 2006

UNE-Ps in service = 2.22M

Convert 1/3 of UNE-Ps to UNE-L.

Handle UNE-L growth

For 7 months

Hot cuts per month =

317,998

(Note 3)

October 2006

UNE-Ps in service = 1.11M

Convert 1/3 of UNE-Ps to UNE-L.

Handle UNE-L growth

For 7 months

Hot cuts per month=

317,998

(Note 3)

May 2007

UNE-Ps in service = 0

Handle UNE-L growth

Going forward

Hot cuts per month = 135,234

(Note 4)

Note 1: Only stand-alone UNE-L requests require a hot cut. (19,029)

Note 2: Sum of stand-alone UNE-L requests plus UNE-P growth requires a hot cut. $(19,029 + 116,295 = 135,324)$

Note 3: Sum of stand-alone UNE-L requests plus UNE-P growth plus attrition of UNE-P embedded base requires a hot cut. $(19,029 + 116,295 + ((3.84M * 0.333)/7) = 317,998.$

Note 4: Sum of UNE-L growth and UNE-P growth requires a hot cut. $(19,029 + 116,295 = 135,324)$

CONFIDENTIAL

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET

NO. 030829-TP EXHIBIT NO. 13

COMPANY Bell South/Clark

WITNESS Conf. Billing Dispute workpapers

DATE 10-06-04

BellSouth Telecommunications Inc.
FPSC Docket 030829-TP
Exhibit KKB-1

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 030829-TP EXHIBIT NO. 14
COMPANY/ BST / Mon/ID.
WITNESS. Carrier Notification letter
DATE: 10-06-04

BellSouth Interconnection Services

675 West Peachtree Street
Atlanta, Georgia 30375

**Carrier Notification
SN91083370**

Date: October 10, 2002

To: Competitive Local Exchange Carriers (CLECs)

Subject: CLECs- Geographically Deaveraged Unbundled Network Elements (UNE) Rate Zones

This is to advise that pursuant to Florida Public Service Commission Order dated September 27, 2002, issued in Docket No. 990649A-TP, and Tennessee Regulatory Authority Ruling, issued August 5, 2002, in Docket No. 01-00339, modifications were made to the geographically deaveraged UNE rate zones. BellSouth has reflected these changes in its systems.

The list of wire centers assigned to each UNE rate zone for each state in the BellSouth Region can be found on the BellSouth Interconnection Services' Web site located at:

http://www.interconnection.bellsouth.com/become_a_clec/docs/interconnection/deavuzns.pdf

Please contact your BellSouth Local Contract Manager with any questions.

Sincerely,

ORIGINAL SIGNED BY JERRY HENDRIX

Jerry Hendrix – Assistant Vice President
BellSouth Interconnection Services

BellSouth Telecommunications, Inc
FPSC Docket 030829-TP
Carlos Morillo Revised Rebuttal Testimony
Exhibit CM-1

EXHIBIT CM-1

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 030829-TP EXHIBIT NO 15
COMPANY/ BellSouth's Correspondence
WITNESS JUNE Rate Zones
DATE 10/06/04

From: Matthew Feil [mfeil@floridadigital.net]
Sent: Tuesday, December 10, 2002 10:56 AM
To: Hamman, John
Subject: UNE Rates and ROW question

John,

I would like to do an amendment to put the new UNE rates in place in Florida as soon as possible. Please let me know what's involved and how long it will take. I understand that we'd basically be taking the attachment 2 rates (and some or all of the text) from the agreement we just filed and making that into an amendment.

My understanding from the FPSC case schedule is that the Commission will decide on the disputed language on January 29, 2003. I assume that right after that vote, we'll sign an agreement using the language the Commission approves, and we'll file the new agreement with the Commission. I'm not sure how the timing on that will work, but we should keep in mind that the extension amendment we signed a few weeks back expires February 4. I hope we can finalize something right after the Commission vote so we don't have to do another extension, but we should be realistic. How do you anticipate the timing coming down? If you don't think we'd be able to sign an agreement and have it filed by February 4, I think we should extend the old agreement (as amended) out for another 30 + days to provide sufficient time cushion.

On the ROW, Conduits and Pole Attachment form agreement you sent me, we have one comment. In Section 1.3, we think that alternative (2) should be 40 consecutive manhole sections or 20,000 feet instead of 10 manholes and 5,000 feet. From what my people tell me, in the past, we have worked very large sections at a time. So, if we had to file an application for the small increments the form agreement proposes, for our South Florida runs we would have had to file 400 applications instead of the 20 which we did file and which Bell processed. And 400 applications would not make the process easier for BellSouth or FDN.

From: Hamman, John
Sent: Friday, December 27, 2002 11:27 AM
To: 'Feil Matt (E-mail)'
Subject: FDN New Florida rates and language

Matt:

Attached is a proposed amendment to the "Stand alone" Agreement to add the new Florida rates and language.

It's in draft form as I need you to review the changes I made to the "negotiated" Attachment 2 language.

Here's what I changed:

- 1) Removed Attach 3-Network Elements from the MCI agreement and replaced with the "negotiated" Attachment 2 language from our negotiations version and labeled it Attachment 3. This is Exhibit 1 to the Amendment.
- 2) Added the new Florida UNE rates from our "negotiated" rates for Attachment 2 and made it Exhibit 2 to the Amendment.
- 3) Changed out references in to other Attachments in the language and inserted reference to "the current agreement" as there is not a "one-for-one" in the MCI agreement.
- 4) Deleted the two Parties-proposed arbitration language on Fast Access and XDSL in Section 2.9.
- 5) Deleted the Interim Agreement and its amendment as the UNE's covered in that agreement are now in this Amendment. (UDC Loops, Combinations, and Dark Fiber)

I have attached a worksheet that I used to draft the amendment and shows what's being kept and deleted.

Let me know if you need to discuss. If you're OK with the Amendment, then I'll do a final version and have it sent for signature.

Thanks!

John M. Hamman
Manager-BellSouth Interconnection Services
Telephone: 404-927-1992
Fax: 404-529-7839
iPage: JohnHamman@imcingular.com



FDN Contracts.doc FDN Florida UNE
Rates.pdf

Section	MCI Adoption	Interim Agreement	Stand alone	New Agreement
	7/1/98 to 6/2/2000	10/20/2000 to 10/19/01	9/5/2001 to 2/4/2003	
Part A				
Part A Terms		1) GTC's -Interim 2) Continue to operate under expired agreement	1) GTC's-Stand alone 2) Continue to operate under expired agreements 3) Amendment 9/4/2002 to extend term of Agreement to 2/4/2003	GTC's
Part B				
Part B Definitions				
Exhibit 1-BFR				Attach 12 NBR/BFR
Part C				
Attach 1-Price Schedule 1-1 to 1-7			Replaced Tables 1-1- 1-2- 1-3 1-4 1-5 with Exhibit 1 Rates (Delete)	
Attach 2-Local Resale				Attach 1-Resale Exhibit A-Restrictions Exhibit B-LIDB Exhibit C-Rates
Attach 3-Network Elements		1) Added UDC Loops and Combinations (Delete) 2) Amendment 3/20/01 to add Dark Fiber (Delete)	1) Amendment 3/12/2002 to add CLEC to CLEC conversion (Delete) 2) Amendment 9/4/2002 to add expedite, (Delete) and 2-Fiber and 4 Fiber rates (Keep)	Attach 2-UNE Exhibit A-LIDB Exhibit B-Rates

Section	MCI Adoption	Interim Agreement	Stand alone	New Agreement
	7/1/98 to 6/2/2000	10/20/2000 to 10/19/01	9/5/2001 to 2/4/2003	
Attach 4-Interconnecton			Amendment 4/16/2002 to add rates, terms, and conditions for local interconnection (Keep)	Attach 3-Local Interconnection Exhibit A-Rates
Attach 5-Collocation	Replaced with 7/27/99 Amendment			Attach 4-Collocation Exhibit A-environmental Exhibit b-rates
Attach 6-ROW				Attach 8-ROW
Attach 7-Number Portability				Attach 5-Number Portability
Attach 8-Business Process Requirements				Attach 6-Ordering Attach 7-Billing
Attach 9-Security Requirements				
Attach 10-Credits for Performance Standards Failures	Left Blank			Attach 9-Performance Measures
Amendment 1-Final Florida Rates	5/28/1998			
Amendments to Adoption				
2/24/99-Branding	(Delete)			
7/27/99-Collocation Terms and rates	(Keep)			
8/11/99-SL-1 loops	(Delete)			
10/11/99-OSS rates	(Delete)			
11/02/99-Collo Additional Language	(Keep)			
1/11/00-Dark Fiber	(Delete)			
3/10/00-Dedicated Transport	(Delete)			
				Attach 10 Implementation Guidelines
				Attach 11-Disaster Recovery

**AMENDMENT
TO THE
STAND ALONE AGREEMENT BETWEEN
FLORIDA DIGITAL NETWORK, INC.
AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED SEPTEMBER 5, 2001**

Pursuant to this Amendment, (the "Amendment"), Florida Digital Network, Inc. ("FDN"), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated September 5, 2001 ("Stand Alone Agreement").

WHEREAS, BellSouth and FDN entered into the Stand Alone Agreement on September 5, 2001, and;

WHEREAS, BellSouth and FDN agreed in the Stand Alone Agreement to continue to operate under the expired Interconnection Agreements between the Parties dated 7/1/1998 ("Expired Agreement") and the Interim Agreement between the Parties dated 10/20/2001 ("Interim Agreement"), as amended, and;

WHEREAS, BellSouth and FDN desire to amend the Stand Alone Agreement in part, to incorporate the UNE rates ordered on September 27, 2002 by the Florida Public Service Commission in Docket No. 990649-TP; and;

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. Attachment 3-Network Elements as set forth in the Expired Agreement, is hereby deleted and replaced in its entirety with new Attachment 3-Network Elements as set forth in Exhibit 1 attached hereto and incorporated herein by this reference.
2. The rate elements and corresponding rates for Florida in Exhibit 1 Florida PSC ordered rates to the Stand Alone Agreement are hereby deleted and replaced in their entirety with the rate elements and corresponding rates set forth in Exhibit 1 attached hereto and incorporated herein by this reference.
3. The Interim Agreement and the amendment dated March 20, 2001 are deleted in their entirety.
4. All of the other provisions of the Stand Alone Agreement, dated September 5, 2001, shall remain in full force and effect.
5. Either or both of the Parties is authorized to submit this Amendment to the respective state regulatory authorities for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

This Amendment shall be deemed effective thirty calendar days following the date of the last signature of both Parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized representatives on the date indicated below.

Florida Digital Network, Inc.

By: _____

Name: _____

Title: _____

Date: _____

BellSouth Telecommunications, Inc.

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT 1

Exhibit 1
Attachment 3
Page 1

Attachment 3

Network Elements and Other Services

Exhibit 1
 Attachment 3
 Page 2

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ACCESS TO NETWORK ELEMENTS AND OTHER SERVICES

1 Introduction

- 1.1 This Attachment sets forth rates, terms and conditions for Network Elements and combinations of Network Elements that BellSouth agrees to offer to FDN in accordance with its obligations under Section 251(c)(3) of the Act. Additionally, this Attachment sets forth the rates, terms and conditions for other services BellSouth makes available to FDN. The price for each Network Element and combination of Network Elements and other services are set forth in Exhibit B of this Agreement. Additionally, the provision of a particular Network Element or service may require FDN to purchase other Network Elements or services.
- 1.2 For purposes of this Agreement, "Network Element" is defined to mean a facility or equipment FDN used in the provision of a telecommunications service. For purposes of this Agreement, combinations of Network Elements shall be referred to as "Combinations."
- 1.3 Except upon request by FDN, BellSouth shall not separate requested network elements that BellSouth currently combines.
- 1.3 BellSouth shall, upon request of FDN, and to the extent technically feasible, provide to FDN access to its Network Elements for the provision of FDN's telecommunications services. If no rate is identified in this Agreement, the rate for the specific service or function will be as set forth in the applicable BellSouth tariff or as negotiated by the Parties upon request by either Party.
- 1.4 FDN may purchase Network Elements and other services from BellSouth for the purpose of combining such network elements in any manner FDN chooses to provide telecommunication services to its intended users, including recreating existing BellSouth services. With the exception of UNE-P and the sub-loop Network Elements which are located outside of the central office, BellSouth shall deliver the Network Elements purchased by FDN to the demarcation point associated with FDN's collocation arrangement.
- 1.5 BellSouth shall comply with the requirements as set forth in the technical references within this Attachment 3.
- 1.6 FDN may not purchase unbundled network elements (UNEs) or convert special access circuits to UNEs if such network elements will be used to provide wireless telecommunications services.
- 1.7 Rates
 - 1.7.1 The prices that FDN shall pay to BellSouth for Network Elements and Other Services are set forth in Exhibit B to this Attachment. If FDN purchases a

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service(s) from a tariff, all terms and conditions and rates as set forth in such tariff shall apply.

- 1.7.2 Rates, terms and conditions for ~~order cancellation charges and Service Date Advancement Charges~~ will apply in accordance with Attachment 6 the Amendment dated September 4, 2002 to the Stand Alone Agreement dated September 5, 2001 and are is incorporated herein by this reference.
- 1.7.3 If FDN modifies an order after being sent a Firm Order Confirmation (FOC) from BellSouth, any costs incurred by BellSouth to accommodate the modification will be paid by FDN in accordance with FCC No. 1 Tariff, Section 5, Order Modification Charge (OMC).
- 1.7.4 A one-month minimum billing period shall apply to all UNE conversions or new installations.
- 1.7.5 Standards for Network Elements
- BellSouth shall comply with the requirements set forth in the technical references, as well as any performance or other requirements identified in this Attachment. If one or more of the requirements set forth in this Agreement are in conflict, the parties shall mutually agree on which requirement shall apply. If the parties cannot reach agreement, the dispute resolution process set forth in Section 12 of the General Terms and Conditions of this Agreement, incorporated herein by this reference, shall apply.
- 2 Unbundled Loops**
- 2.1 General
- 2.1.1 The local loop Network Element ("Loop") is defined as a transmission facility between a distribution frame (or its equivalent) in BellSouth's central office and the loop demarcation point at an end-user customer premises, including inside wire owned by BellSouth. The local loop Network Element includes all features, functions, and capabilities of the transmission facilities, including dark fiber and attached electronics (except those used for the provision of advanced services, such as Digital Subscriber Line Access Multiplexers) and line conditioning. The loop shall include the use of all test access functionality, including, smart jacks, for both voice and data. FDN may access such test access functionality through its collocation space and/or the end users' side of the point of demarcation. FDN shall be entitled to order all loops set forth in Exhibit B of this Attachment. Unless otherwise requested and negotiated, all loops will be provisioned with the appropriate Network Interface Device (NID).
- 2.1.2 The provisioning of a Loop to FDN's collocation space will require cross-office cabling and cross-connections within the central office to connect the Loop to a local switch or to other transmission equipment. These cross-connects are

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separate components, that are not considered a part of the Loop, and thus, have a separate charge.

- 2.1.3 To the extent available within BellSouth's network at a particular location, BellSouth will offer Loops capable of supporting telecommunications services. If a requested loop type is not available, and cannot be made available through BellSouth's Unbundled Loop Modification process, then FDN can use the Special Construction process to request that BellSouth place facilities in order to meet FDN's loop requirements. Standard Loop intervals shall not apply to the Special Construction process.
- 2.1.4 Where facilities are available, BellSouth will install Loops in compliance with BellSouth's Products and Services Interval Guide available at the website at <http://www.interconnection.bellsouth.com>. For orders of 15 or more Loops, the installation and any applicable Order Coordination as described below will be handled on a project basis, and the intervals will be set by the BellSouth project manager for that order. When Loops require a Service Inquiry (SI) prior to issuing the order to determine if facilities are available, the interval for the SI process is separate from the installation interval.
- 2.1.5 The Loop shall be provided to FDN in accordance with BellSouth's TR73600 Unbundled Local Loop Technical Specification and applicable industry standard technical references.
- 2.1.6 FDN may utilize the unbundled Loops to provide any telecommunications service it wishes, so long as such services are consistent with industry standards and BellSouth's TR73600.
- 2.1.7 BellSouth will only provision, maintain and repair the Loops to the standards that are consistent with the type of Loop ordered. In those cases where FDN has requested that BellSouth modify a Loop so that it no longer meets the technical parameters of the original Loop type (e.g., voice grade, ISDN, ADSL, etc.) the resulting Loop will be maintained as an unbundled copper Loop (UCL), and FDN shall pay the recurring and non-recurring charges for a UCL. For non-service specific loops (e.g. UCL, Loops modified by FDN using the Unbundled Loop Modification (ULM) process), BellSouth will only support that the Loop has copper continuity and balanced tip-and-ring.
- 2.1.8 **Loop Testing/Trouble Reporting**
 - 2.1.8.1 FDN will be responsible for testing and isolating troubles on the Loops. FDN must test and isolate trouble to the BellSouth portion of a designed/non-designed unbundled loop (e.g., UVL-SL2, UCL-D, UVL-SL1, UCL-ND, etc.) before reporting repair to the UNE Customer Wholesale Interconnection Network Services (CWINS) Center. At the time of the trouble report, FDN will provide the

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results of the FDN test which indicate a problem on the BellSouth provided loop, if BellSouth requests the test results.

2.1.8.2 Once FDN has isolated a trouble to the BellSouth provided Loop, and had issued a trouble report to BellSouth on the Loop, BellSouth will take the actions necessary to repair the Loop if a trouble actually exists. BellSouth will repair these Loops in the same time frames that BellSouth repairs similarly situated Loops to its end users.

2.1.8.3 If FDN reports a trouble on a non-designed loop (e.g., UVL-SL1, UCL-ND, etc.) and no trouble actually exists, BellSouth will charge FDN for any dispatching and testing (both inside and outside the CO) required by BellSouth in order to confirm the loop's working status. If FDN reports trouble on a designed loop and no trouble is found, BellSouth will charge FDN for any dispatch and testing outside the central office. If BellSouth informs FDN that no trouble is found, and it is ultimately determined that a BellSouth trouble did exist on the loop at the time of the original trouble report, FDN may request a credit from BellSouth in accordance with ~~Attachment 7~~ the current billing terms of this Agreement for any dispatch or testing charge with respect to that trouble.

2.1.9 **Order Coordination and Order Coordination-Time Specific**

2.1.9.1 "Order Coordination" (OC) allows BellSouth and FDN to coordinate the installation of the SL2 Loops, Unbundled Digital Loops (UDL) and other Loops where OC may be purchased as an option, to FDN's facilities to limit end user service outage. OC is available when the Loop is provisioned over an existing circuit that is currently providing service to the end user. OC for physical conversions will be scheduled at BellSouth's discretion during normal working hours on the committed due date. OC shall be provided in accordance with the chart set forth below (after Section 2.10.1.3).

2.1.9.2 "Order Coordination – Time Specific" (OC-TS) allows FDN to order a specific time for OC to take place. BellSouth will make every effort to accommodate FDN's specific conversion time request. However, BellSouth reserves the right to negotiate with FDN a conversion time based on load and appointment control when necessary. This OC-TS is a chargeable option for all Loops except Unbundled Copper Loops (UCL) and Universal Digital Channel (UDC). and is billed in addition to the OC charge. FDN may specify a time between 9:00 a.m. and 4:00 p.m. (location time) Monday through Friday (excluding holidays). If FDN specifies a time outside this window, or selects a time or quantity of Loops that requires BellSouth technicians to work outside normal work hours, overtime charges will apply in addition to the OC and OC-TS charges. Overtime charges will be applied based on the amount of overtime worked and in accordance with the rates established in the Access Services Tariff, Section E13.2, for each state.

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The OC-TS charges for an order due on the same day at the same location will be applied on a per Local Service Request (LSR) basis.

2.1.10 **CLEC to CLEC Conversions for Unbundled Loops**

- 2.1.10.1 The CLEC to CLEC conversion process for unbundled Loops may be used by FDN when converting an existing unbundled Loop from another CLEC for the same end user. The Loop type being converted must be included in FDN's Interconnection Agreement before requesting a conversion.
- 2.1.10.2 To utilize the CLEC to CLEC conversion process, the Loop being converted must be the same Loop type with no requested changes to the Loop, must serve the same end user location from the same serving wire center, and must not require an outside dispatch to provision.
- 2.1.10.3 The Loops converted to FDN pursuant to the CLEC to CLEC conversion process shall be provisioned in the same manner and with the same functionality and options as described in this Attachment for the specific Loop type.
- 2.1.10.4 For the conversion process, Order Coordination comes standard on 2 Wire Unbundled Voice Loop-SL2, 4 Wire Unbundled Voice Loop, 2 Wire ADSL Compatible Loop, 2 and 4 Wire HDSL Compatible Loop, 2 Wire Unbundled ISDN Loop, 2 Wire Unbundled Universal Digital Channel Loop, 4 Wire Unbundled Digital/DSO (19.2/56/64 kbps), and 4 Unbundled DS1/ISDN Loop.
- 2.1.10.5 Order Coordination is available as a chargeable option on Unbundled Voice Loop-SL1, Unbundled Copper Loop-Non Designed, and Unbundled Copper Loop-Designed.

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	Order Coordination (OC)	Order Coordination – Time Specific (OC-TS)	Test Points	DLR	Charge for Dispatch and Testing if No Trouble Found
SL-1 (Non-Designed)	Chargeable Option	Chargeable Option	Not available	Chargeable Option – ordered as Engineering Information Document	Charged for Dispatch inside and outside Central Office
UCL-ND (Non-Designed)	Chargeable Option	Not Available	Not Available	Chargeable Option – ordered as Engineering Information Document	Charged for Dispatch inside and outside Central Office
Unbundled Voice Loops - SL-2 (including 2- and 4-wire UVL) (Designed)	Included	Chargeable Option	Included	Included	Charged for Dispatch outside Central Office
Unbundled Digital Loop (Designed)	Included	Chargeable Option (except on Universal Digital Channel)	Included (where appropriate)	Included	Charged for Dispatch outside Central Office
Unbundled Copper Loop (Designed)	Chargeable in accordance with Section 2	Not available	Included	Included	Charged for Dispatch outside Central Office
For UVL-SL1 and UCLs, FDN must order and will be billed for both OC and OC-TS if requesting OC-TS					

2.2 **Unbundled Voice Loops (UVLs)**

2.2.1 BellSouth shall make available the following UVLs:

2.2.1.1 2-wire Analog Voice Grade Loop – SL1 (Non-Designed)

2.2.1.2 2-wire Analog Voice Grade Loop – SL2 (Designed)

2.2.1.3 4-wire Analog Voice Grade Loop (Designed)

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- 2.2.2 Unbundled Voice Loops (UVL) may be provisioned using any type of facility that will support voice grade services. This may include loaded copper, non-loaded copper, digital loop carrier systems, fiber or a combination of any of these facilities. BellSouth, in the normal course of maintaining, repairing, and configuring its network, may also change the facilities that are used to provide any given voice grade circuit. This change may occur at any time, and will be done at parity with changes BellSouth makes for itself, its affiliates, and other CLECs. FDN will be promptly notified of any changes to circuit IDs. In these situations, BellSouth will only ensure that the newly provided facility will support voice grade services. BellSouth will not guarantee that FDN will be able to continue to provide any advanced services over the new facility. BellSouth will offer UVL in two different service levels - Service Level One (SL1) and Service Level Two (SL2).
- 2.2.3 Unbundled Voice Loop - SL1 (UVL-SL1) loops are 2-wire loop start circuits, will be non-designed, and will not have remote access test points. OC will be offered as a chargeable option on SL1 loops when reuse of existing facilities has been requested by FDN. FDN may also order OC-TS when a specified conversion time is requested. OC-TS is a chargeable option for any coordinated order. An Engineering Information (EI) document can be ordered as chargeable option. The EI document provides loop make up information which is similar to the information normally provided in a Design Layout Record. Upon issuance of a non-coordinated order in the service order system, SL1 loops will be activated on the due date in the same manner and time frames that BellSouth normally activates POTS-type loops for its end users.
- 2.2.4 For an additional charge BellSouth will make available Loop Testing so that FDN may request further testing on new or reuse BellSouth UVL-SL1 loops. Rates for Loop Testing are as set forth in Exhibit B of this Attachment.
- 2.2.5 Unbundled Voice Loop - SL2 (UVL-SL2) loops may be 2-wire or 4-wire circuits, shall have remote access test points, and will be designed with a Design Layout Record provided to FDN. SL2 circuits can be provisioned with loop start, ground start or reverse battery signaling. OC is provided as a standard feature on SL2 loops. The OC feature will allow FDN to coordinate the installation of the loop with the disconnect of an existing customer's service and/or number portability service. In these cases, BellSouth will perform the order conversion with standard order coordination at its discretion, and FDN will be promptly notified during normal work hours.
- 2.3 **Unbundled Digital Loops**
- 2.3.1 BellSouth will offer Unbundled Digital Loops (UDL). UDLs are service specific, will be designed, will be provisioned with test points (where appropriate), and will come standard with OC and a Design Layout Record (DLR). The various UDLs are intended to support a specific digital transmission scheme or service.

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- 2.3.2 BellSouth shall make available the following UDLs:
 - 2.3.2.1 2-wire Unbundled ISDN Digital Loop
 - 2.3.2.2 2-wire Universal Digital Channel (IDSL Compatible)
 - 2.3.2.3 2-wire Unbundled ADSL Compatible Loop
 - 2.3.2.4 2-wire Unbundled HDSL Compatible Loop
 - 2.3.2.5 4-wire Unbundled HDSL Compatible Loop
 - 2.3.2.6 4-wire Unbundled DS1 Digital Loop
 - 2.3.2.7 4-wire Unbundled Digital Loop/DS0 – 64 kbps, 56 kbps and below
 - 2.3.2.8 DS3 Loop
 - 2.3.2.9 STS-1 Loop
 - 2.3.2.10 OC3 Loop
 - 2.3.2.11 OC12 Loop
 - 2.3.2.12 OC48 Loop
- 2.3.3 2-Wire Unbundled ISDN Digital Loops will be provisioned according to industry standards for 2-Wire Basic Rate ISDN services and will come standard with a test point, Order Coordination, and a DLR. FDN will be responsible for providing BellSouth with a Service Profile Identifier (SPID) associated with a particular ISDN-capable loop and end user. With the SPID, BellSouth will be able to adequately test the circuit and ensure that it properly supports ISDN service. BellSouth will not reconfigure its ISDN-capable loop to support IDSL service.
- 2.3.3.1 The Universal Digital Channel (UDC) (also known as IDSL-compatible Loop) is intended to be compatible with IDSL service and has the same physical characteristics and transmission specifications as BellSouth's ISDN-capable loop. These specifications are listed in BellSouth's TR73600.
- 2.3.3.2 The UDC may be provisioned on copper or through a Digital Loop Carrier (DLC) system. When UDC Loops are provisioned using a DLC system, the Loops will be provisioned on time slots that are compatible with data-only services such as IDSL.
- 2.3.4 2-Wire ADSL-Compatible Loop. This is a designed loop that is provisioned according to Revised Resistance Design (RRD) criteria and may be up to 18kft long and may have up to 6kft of bridged tap (inclusive of loop length). The loop is

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a 2-wire circuit and will come standard with a test point, Order Coordination, and a DLR.

- 2.3.5 2-Wire or 4-Wire HDSL-Compatible Loop. This is a designed loop that is provisioned according to Carrier Serving Area (CSA) criteria and may be up to 12,000 feet long and may have up to 2,500 feet of bridged tap (inclusive of loop length). It may be a 2-wire or 4-wire circuit and will come standard with a test point, Order Coordination, and a DLR.
- 2.3.6 4-Wire Unbundled DS1 Digital Loop. This is a designed 4-wire loop that is provisioned according to industry standards for DS1 or Primary Rate ISDN services and will come standard with a test point, Order Coordination, and a DLR. A DS1 Loop may be provisioned over a variety of loop transmission technologies including copper, HDSL-based technology or fiber optic transport systems. It will include a 4-Wire DS1 Network Interface at the end-user's location.
- 2.3.7 4-Wire Unbundled Digital/DS0 Loop. These are designed 4-wire loops that may be configured as 64kbps, 56kbps, 19kbps, and other sub-rate speeds associated with digital data services and will come standard with a test point, Order Coordination, and a DLR.
- 2.3.8 DS3 Loop. DS3 Loop is a two-point digital transmission path, which provides for simultaneous two-way transmission of serial, bipolar, return-to-zero isochronous digital electrical signals at a transmission rate of 44.736 megabits per second (Mbps) that is dedicated to the use of the ordering CLEC in its provisioning of local exchange and associated exchange access services. It may provide transport for twenty-eight (28) DS1 channels, each of which provides the digital equivalent of twenty-four analog voice grade channels. The interface to unbundled dedicated DS3 transport is a metallic-based electrical interface.
- 2.3.9 STS-1 Loop. STS-1 Loop is a high-capacity digital transmission path with SONET VT1.5 mapping that is dedicated for the use of the ordering customer for the purpose of provisioning local exchange and associated exchange access services. It is a two-point digital transmission path, which provides for simultaneous two-way transmission of serial bipolar return-to-zero synchronous digital electrical signals at a transmission rate of 51.84 megabits per second (Mbps). It may provide transport for twenty-eight (28) DS1 channels, each of which provides the digital equivalent of twenty-four analog voice grade channels. The interface to unbundled dedicated STS-1 transport is a metallic-based electrical interface.
- 2.3.10 OC3 Loop/OC12 Loop/OC48 Loop. OC3/OC-12/OC-48 Loops are optical two-point transmission paths that are dedicated to the use of the ordering CLEC in its provisioning of local exchange and associated exchange access services. The physical interface for all optical transport is optical fiber. This interface standard allows for transport of many different digital signals using a basic building block or

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base transmission rate of 51.84 megabits per second (Mbps). Higher rates are direct multiples of the base rate. The following rates are applicable: OC-3 - 155.52 Mbps; OC12 - 622.08 Mbps; and OC-48 - 2488 Mbps.

- 2.3.11 DS3 and above services come with a test point and a DLR. Mileage is airline miles, rounded up and a minimum of one mile applies. BellSouth TR 73501 LightGate[®] Service Interface and Performance Specifications, Issue D, June 1995 applies to DS3 and above services.

2.4 **Unbundled Copper Loops (UCL)**

- 2.4.1 BellSouth shall make available Unbundled Copper Loops (UCLs). The UCL is a copper twisted pair Loop that is unencumbered by any intervening equipment (e.g., filters, load coils, range extenders, digital loop carrier, or repeaters) and is not intended to support any particular telecommunications service. The UCL will be offered in two types – Designed and Non-Designed.

2.4.2 **Unbundled Copper Loop – Designed (UCL-D)**

- 2.4.2.1 The UCL-D will be provisioned as a dry copper twisted pair loop that is unencumbered by any intervening equipment (e.g., filters, load coils, range extenders, digital loop carrier, or repeaters). The UCL-D will be offered in two versions - Short and Long.
- 2.4.2.2 A short UCL-D (18,000 feet or less) is provisioned according to Resistance Design parameters, may have up to 6,000 feet of bridged tap and will have up to 1300 ohms of resistance.
- 2.4.2.3 The long UCL-D (beyond 18,000 feet) is provisioned as a dry copper twisted pair longer than 18,000 feet and may have up to 12,000 feet of bridged tap and up to 2800 ohms of resistance.
- 2.4.2.4 The UCL-D is a designed circuit, is provisioned with a test point, and comes standard with a DLR. OC is a chargeable option for a UCL-D; however, OC is always required on UCLs where a reuse of existing facilities has been requested by FDN.
- 2.4.2.5 These loops are not intended to support any particular services and may be utilized by FDN to provide a wide-range of telecommunications services so long as those services do not adversely affect BellSouth's network. This facility will include a Network Interface Device (NID) at the customer's location for the purpose of connecting the loop to the customer's inside wire.
- 2.4.2.6 BellSouth will make available the following UCL-Ds:
- 2.4.2.6.1 2-Wire UCL-D/short

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2.4.2.6.2 2-Wire UCL-D/long

2.4.2.6.3 4-Wire UCL-D/short

2.4.2.6.4 4-Wire UCL-D/long

2.4.3 **Unbundled Copper Loop – Non-Designed (UCL-ND)**

2.4.3.1 The UCL-ND is provisioned as a dedicated 2-wire metallic transmission facility from BellSouth's Main Distribution Frame to a customer's premises (including the NID). The UCL-ND will be a "dry copper" facility in that it will not have any intervening equipment such as load coils, repeaters, or digital access main lines ("DAMLs"), and may have up to 6,000 feet of bridged tap between the end user's premises and the serving wire center. The UCL-ND typically will be 1300 Ohms resistance and in most cases will not exceed 18,000 feet in length, although the UCL-ND will not have a specific length limitation. For loops less than 18,000 feet and with less than 1300 Ohms resistance, the loop will provide a voice grade transmission channel suitable for loop start signaling and the transport of analog voice grade signals. The UCL-ND will not be designed and will not be provisioned with either a DLR or a test point.

2.4.3.2 The UCL-ND facilities may be mechanically assigned using BellSouth's assignment systems. Therefore, the Loop Make Up process is not required to order and provision the UCL-ND. However, FDN can request Loop Make Up for which additional charges would apply.

2.4.3.3 At an additional charge, BellSouth also will make available Loop Testing so that FDN may request further testing on the UCL-ND. Rates for Loop Testing are as set forth in Exhibit B of this Attachment.

2.4.3.4 UCL-ND loops are not intended to support any particular service and may be utilized by FDN to provide a wide-range of telecommunications services so long as those services do not adversely affect BellSouth's network. The UCL-ND will include a Network Interface Device (NID) at the customer's location for the purpose of connecting the loop to the customer's inside wire.

2.4.3.5 Order Coordination (OC) will be provided as a chargeable option and may be utilized when the UCL-ND provisioning is associated with the reuse of BellSouth facilities. Order Coordination -Time Specific (OC-TS) does not apply to this product.

2.4.3.6 FDN may use BellSouth's Unbundled Loop Modification (ULM) offering to remove bridge tap and/or load coils from any loop within the BellSouth network. Therefore, some loops that would not qualify as UCL-ND could be transformed into loops that do qualify, using the ULM process.

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2.5 **Unbundled Loop Modifications (Line Conditioning)**

- 2.5.1 Line Conditioning is defined as the removal from the Loop of any devices that may diminish the capability of the Loop to deliver high-speed switched wireline telecommunications capability, including xDSL service. Such devices include, but are not limited to, load coils, bridged taps, low pass filters, and range extenders.
- 2.5.2 BellSouth shall condition Loops, as requested by FDN, whether or not BellSouth offers advanced services to the End User on that Loop.
- 2.5.3 In some instances, FDN will require access to a copper twisted pair loop unfettered by any intervening equipment (e.g., filters, load coils, range extenders, etc.), so that FDN can use the loop for a variety of services by attaching appropriate terminal equipment at the ends. FDN will determine the type of service that will be provided over the loop. BellSouth's Unbundled Loop Modifications (ULM) process will be used to determine the costs and feasibility of conditioning the loops as requested. Rates for ULM are as set forth in Exhibit B of this Attachment.
- 2.5.4 In those cases where FDN has requested that BellSouth modify a Loop so that it no longer meets the technical parameters of the original Loop type (e.g., voice grade, ISDN, ADSL, etc.) the resulting modified Loop will be ordered and maintained as a UCL.
- 2.5.5 The Unbundled Loop Modifications (ULM) offering provides the following elements: 1) removal of devices on 2-wire or 4-wire Loops equal to or less than 18,000 feet; 2) removal of devices on 2-wire or 4-wire Loops longer than 18,000 feet; and 3) removal of bridged-taps on loops of any length.
- 2.5.6 FDN shall request Loop make up information pursuant to this Attachment prior to submitting a service inquiry and/or a LSR for the Loop type that FDN desires BellSouth to condition.
- 2.5.7 When requesting ULM for a loop that BellSouth has previously provisioned for FDN, FDN will submit a service inquiry to BellSouth. If a spare loop facility that meets the loop modification specifications requested by FDN is available at the location for which the ULM was requested, FDN will have the option to change the loop facility to the qualifying spare facility rather than to provide ULM. In the event that BellSouth changes the loop facility in lieu of providing ULM, FDN will not be charged for ULM but will only be charged the service order charges for submitting an order.

2.6 **Loop Provisioning Involving Integrated Digital Loop Carriers**

- 2.6.1 Where FDN has requested an Unbundled Loop and BellSouth uses Integrated Digital Loop Carrier (IDLC) systems to provide the local service to the end user

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and BellSouth has a suitable alternate facility available, BellSouth will make such alternative facilities available to FDN. If a suitable alternative facility is not available, then to the extent it is technically feasible, BellSouth will make alternative arrangements available to FDN (e.g. hairpinning).

2.6.2 BellSouth will select one of the following arrangements:

1. Roll the circuit(s) from the IDLC to any spare copper that exists to the customer premises.
2. Roll the circuit(s) from the IDLC to an existing DLC that is not integrated.
3. If capacity exists, provide "side-door" porting through the switch.
4. If capacity exists, provide "DACS-door" porting (if the IDLC routes through a DACS prior to integration into the switch).

2.6.3 Arrangements 3 and 4 above require the use of a designed circuit. Therefore, non-designed loops such as the SL1 voice grade and UCL-ND may not be ordered in these cases.

2.6.4 If no alternate facility is available, BellSouth will place new facilities under the same terms and conditions with which it provides facilities to its own customers. In some cases, BellSouth will utilize its Special Construction (SC) process to determine the additional costs required to provision the loop facilities. Such costs will be at parity to what BellSouth charges its retail customers. FDN will then have the option of paying the one-time SC rates to place the loop.

2.7 **Network Interface Device (NID)**

2.7.1 The NID is defined as any means of interconnection of end-user customer premises wiring to BellSouth's distribution plant, such as a cross-connect device used for that purpose. The NID is a single-line termination device or that portion of a multiple-line termination device required to terminate a single line or circuit at the premises. The NID features two independent chambers or divisions that separate the service provider's network from the end user's customer-premises wiring. Each chamber or division contains the appropriate connection points or posts to which the service provider and the end user each make their connections. The NID provides a protective ground connection and is capable of terminating cables such as twisted pair cable.

2.7.2 BellSouth shall permit FDN to connect FDN's Loop facilities the end-user's customer-premises wiring through the BellSouth NID or at any other technically feasible point.

2.7.3 **Access to NID**

2.7.3.1 FDN may access the end user's customer-premises wiring by any of the following means and FDN shall not disturb the existing form of electrical protection and shall maintain the physical integrity of the NID:

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- 2.7.3.1.1 1) BellSouth shall allow FDN to connect its loops directly to BellSouth's multi-line residential NID enclosures that have additional space and are not used by BellSouth or any other telecommunications carriers to provide service to the premises.
- 2.7.3.1.2 2) Where an adequate length of the end user's customer premises wiring is present and environmental conditions permit, either Party may remove the customer premises wiring from the other Party's NID and connect such wiring to that Party's own NID;
- 2.7.3.1.3 3) Enter the subscriber access chamber or dual chamber NID enclosures for the purpose of extending a connect divisioned or spliced jumper wire from the customer premises wiring through a suitable "punch-out" hole of such NID enclosures; or
- 2.7.3.1.4 4) Request BellSouth to make other rearrangements to the end user customer premises wiring terminations or terminal enclosure on a time and materials cost basis.
- 2.7.3.2 In no case shall either Party remove or disconnect the other Party's loop facilities from either Party's NIDs, enclosures, or protectors unless the applicable Commission has expressly permitted the same and the disconnecting Party provides prior notice to the other Party. In such cases, it shall be the responsibility of the Party disconnecting loop facilities to leave undisturbed the existing form of electrical protection and to maintain the physical integrity of the NID. It will be the disconnecting party's responsibility to ensure there is no safety hazard and will hold the disconnected party harmless for any liability associated with the removal of the loop from the NID. Furthermore, it shall be the responsibility of the disconnecting Party, once the other Party's loop has been disconnected from the NID, to reconnect the disconnected loop to a nationally recognized testing laboratory listed station protector, which has been grounded as per Article 800 of the National Electrical Code. If no spare station protector exists in the NID, the disconnected loop must be appropriately cleared, capped and stored.
- 2.7.3.3 In no case shall either Party remove or disconnect ground wires from BellSouth's NIDs, enclosures, or protectors.
- 2.7.3.4 In no case shall either Party remove or disconnect NID modules, protectors, or terminals from BellSouth's NID enclosures.
- 2.7.3.5 Due to the wide variety of NID enclosures and outside plant environments, BellSouth will work with FDN to develop specific procedures to establish the most effective means of implementing this section if the procedures set forth herein do not apply to the NID in question.
- 2.7.4 Technical Requirements

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- 2.7.4.1 The NID shall provide an accessible point of interconnection and shall maintain a connection to ground.
- 2.7.4.2 If an existing NID is accessed, it shall be capable of transferring electrical analog or digital signals between the end user's customer premises and the Distribution Media and/or cross connect to FDN's NID.
- 2.7.4.3 Existing BellSouth NIDS will be provided in "as is" condition. BellSouth will provide normal maintenance and repair on the NID. FDN may request BellSouth do additional work to the NID on a time and material basis. When FDN deploys its own local loops with respect to multiple-line termination devices, FDN shall specify the quantity of NIDs connections that it requires within such device.
- 2.8 **Sub-loop Elements**
- 2.8.1 Where facilities permit, as determined on a non-discriminatory basis, BellSouth shall offer nondiscriminatory access to its Unbundled Sub-Loop (USL) and Unbundled Sub-loop Concentration (USLC) System.
- 2.8.2 **Unbundled Sub-Loop Distribution**
- 2.8.2.1 The unbundled sub-loop distribution facility is a dedicated transmission facility that BellSouth provides from an end user's point of demarcation to a BellSouth cross-connect device. The BellSouth cross-connect device may be located within a remote terminal (RT) or a stand-alone cross-box in the field or in the equipment room of a building. The unbundled sub-loop distribution media is a copper twisted pair that can be provisioned as a 2 Wire or 4 Wire facility. BellSouth will make the following available sub-loop distribution offerings where facilities permit:
- Unbundled Sub-Loop Distribution – Voice Grade
Unbundled Copper Sub-Loop
Unbundled Sub-Loop Distribution – Intrabuilding Network Cable (aka riser cable)
- 2.8.2.2 Unbundled Sub-Loop Distribution – Voice Grade (USLD-VG) is a sub-loop facility from the cross-box in the field up to and including the point of demarcation, at the end user's premises and may have load coils.
- 2.8.2.3 Unbundled Copper Sub-Loop (UCSL) is a copper facility of any length provided from the cross-box in the field up to and including the end-user's point of demarcation. If available, this facility will not have any intervening equipment such as load coils between the end-user and the cross-box.
- 2.8.2.4 If FDN requests a UCSL and it is not available, FDN may request the Sub-Loop facility be modified pursuant to the ULM process request to remove load coils and/or bridged taps. If load coils and/or bridged taps are removed, the facility will be classified as a UCSL.

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- 2.8.2.5 Unbundled Sub-Loop Distribution – Intrabuilding Network Cable (USLD-INC) is the distribution facility inside a building or between buildings on the same continuous property which is not separated by a public street or road. USLD-INC includes the facility from the cross-connect device in the building equipment room up to and including the point of demarcation, at the end user's premises.
- 2.8.2.6 BellSouth will install a cross connect panel in the building equipment room for the purpose of accessing USLD-INC pairs from a building equipment room. The cross-connect panel will function as a single point of interconnection (SPOI) for USLD-INC and will be accessible by multiple carriers as space permits. BellSouth will place cross-connect blocks in 25-pair increments for FDN's use on this cross-connect panel. FDN will be responsible for connecting its facilities to the 25-pair cross-connect block(s).
- 2.8.2.7 Unbundled Sub-Loop distribution facilities shall support functions associated with provisioning, maintenance and testing of the Unbundled Sub-Loop. For access to Voice Grade USLD and UCSL, FDN shall install a cable to the BellSouth cross-box pursuant to the terms and conditions for physical collocation for remote sites set forth in this Agreement. This cable would be connected by a BellSouth technician within the BellSouth cross-box during the set-up process. FDN's cable pairs can then be connected to BellSouth's USL within the BellSouth cross-box by the BellSouth technician.
- 2.8.2.8 Through the Service Inquiry (SI) process, BellSouth will determine whether access to Unbundled Sub-Loops at the location requested by FDN is technically feasible and whether sufficient capacity exists in the cross-box. If existing capacity is sufficient to meet FDN's request (capacity shall be determined on a nondiscriminatory, first-come, first-served basis), then BellSouth will perform the site set-up as described in the CLEC Information Package, located at the Website address: <http://www.interconnection.bellsouth.com/products/html/unel.html>. If any work must be done to modify existing BellSouth facilities or add new facilities (other than adding the cross-connect panel in a building equipment room) to accommodate FDN's request for Unbundled Sub-Loops, FDN may request BellSouth's Special Construction (SC) process to determine additional costs required to provision the Unbundled Sub-Loops. FDN will have the option to proceed under the SC process to modify the BellSouth facilities.
- 2.8.2.9 The site set-up must be completed before FDN can order sub-loop pairs. For the site set-up in a BellSouth cross-connect box in the field, BellSouth will perform the necessary work to splice FDN's cable into the cross-connect box. For the site set-up inside a building equipment room, BellSouth will perform the necessary work to install the cross-connect panel and the connecting block(s) that will be used to provide access to the requested USLs.
- 2.8.2.10 Once the site set-up is complete, FDN will request sub-loop pairs through submission of a Local Service Request (LSR) form to the Local Carrier Service

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Center (LCSC). Order Coordination is required with USL pair provisioning when FDN requests reuse of an existing facility and is in addition to the USL pair rate. For expedite requests by FDN for sub-loop pairs, expedite charges will apply for intervals less than 5 days.

- 2.8.2.11 Unbundled Sub-Loops will be provided in accordance with technical reference TR73600.
- 2.8.3 **Unbundled Network Terminating Wire (UNTW)**
 - 2.8.3.1 Unbundled Network Terminating Wire (UNTW) is unshielded twisted copper wiring that is used to extend circuits from an intra-building network cable terminal or from a building entrance terminal to an individual customer's point of demarcation. It is the final portion of the Loop which in multi-subscriber configurations represents the point at which the network branches out to serve individual subscribers.
 - 2.8.3.2 This element will be provided in Multi-Dwelling Units (MDUs) and/or Multi-Tenants Units (MTUs) where either Party owns wiring all the way to the end-users premises. Neither Party will provide this element in those locations where the property owner provides its own wiring to the end-user's premises, where a third party owns the wiring to the end-user's premises or where the property owner will not allow the other Party to place its facilities to the end user.
 - 2.8.3.3 Requirements
 - 2.8.3.3.1 On a multi-unit premises, upon request of the other Party ("Requesting Party"), the Party owning the network terminating wire ("Provisioning Party") will provide access to UNTW pairs on an Access Terminal that is suitable for use by multiple carriers at each Garden Terminal or Wiring Closet.
 - 2.8.3.3.2 The Provisioning Party shall not be required to install new or additional NTW beyond existing NTW to provision the services of the Requesting Party.
 - 2.8.3.3.3 In existing Multi-Dwelling Units (MDUs) and/or Multi-Tenant Units (MTUs) in which BellSouth does not own or control wiring (INC/NTW) to the end users premises, FDN will install UNTW Access Terminals for BellSouth at no additional charge.
 - 2.8.3.3.4 In situations in which BellSouth activates a UNTW pair, BellSouth will compensate FDN for each pair activated commensurate to the price specified in FDN's Agreement.
 - 2.8.3.3.5 Upon receipt of the UNTW Service Inquiry (SI) requesting access to the Provisioning Party's UNTW pairs at a multi-unit premises, representatives of both Parties will participate in a meeting at the site of the requested access. The

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purpose of the site visit will include discussion of the procedures for installation and location of the Access Terminals. By request of the Requesting Party, an Access Terminal will be installed either adjacent to each Provisioning Party's Garden Terminal or inside each Wiring Closet. Requesting Party will deliver and connect its central office facilities to the UNTW pairs within the Access Terminal. Requesting Party may access any available pair on an Access Terminal. A pair is available when a pair is not being utilized to provide service or where the end user has requested a change in its local service provider to the Requesting Party. Prior to connecting Requesting Party's service on a pair previously used by Provisioning Party, Requesting Party is responsible for ensuring the end-user is no longer using Provisioning Party's service or another CLEC's service before accessing UNTW pairs.

- 2.8.3.3.6 Access Terminal installation intervals will be established on an individual case basis.
- 2.8.3.3.7 Requesting Party is responsible for obtaining the property owner's permission for Provisioning Party to install an Access Terminal(s) on behalf of the Requesting Party. The submission of the SI by the Requesting Party will serve as certification by the Requesting Party that such permission has been obtained. If the property owner objects to Access Terminal installations that are in progress or subsequent to completion and demands removal of Access Terminals, Requesting Party will be responsible for costs associated with removing Access Terminals and restoring property to its original state prior to Access Terminals being installed.
- 2.8.3.3.8 The Requesting Party shall indemnify and hold harmless the Provisioning Party against any claims of any kind that may arise out of the Requesting Party's failure to obtain the property owner's permission. Requesting Party will be billed for non-recurring and recurring charges for accessing UNTW pairs at the time the Requesting Party activates the pair(s). The Requesting Party will notify the Provisioning Party each time it activates UNTW pairs using the LSR form.
- 2.8.3.3.9 Requesting Party will isolate and report troubles in the manner specified by the Provisioning Party. Requesting Party must tag the UNTW pair that requires repair. If Provisioning Party dispatches a technician on a reported trouble call and no UNTW trouble is found, Provisioning Party will charge Requesting Party for time spent on the dispatch and testing the UNTW pair(s).
- 2.8.3.3.10 If Requesting Party initiates the Access Terminal installation and the Requesting Party has not activated at least one pair on the Access Terminal installed pursuant to Requesting Party's request for an Access Terminal within 6 months of installation of the Access Terminal, Provisioning Party will bill Requesting Party a non-recurring charge equal to the actual cost of provisioning the Access Terminal.
- 2.8.3.3.11 If Provisioning Party determines that Requesting Party is using the UNTW pairs without reporting the activation of the pairs, the following charges shall apply:

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- 2.8.3.3.11.1 If Requesting Party issued a LSR to disconnect an end-user from Provisioning Party in order to use a UNTW pair, Requesting Party will be billed for the use of the pair back to the disconnect order date.
- 2.8.3.3.11.2 If Requesting Party activated a UNTW pair on which Provisioning Party was not previously providing service, Requesting Party will be billed for the use of that pair back to the date the end-user began receiving service using that pair. Upon request, Requesting Party will provide copies of its billing record to substantiate such date. If Requesting Party fails to provide such records, then Provisioning Party will bill the Requesting Party back to the date of the Access Terminal installation.
- 2.8.4 **Unbundled Sub-Loop Feeder**
- 2.8.4.1 Unbundled Sub-Loop Feeder (USLF) provides connectivity between BellSouth's central office and cross-box (or other access point) that serves an end user location.
- 2.8.4.2 USLF utilized for voice traffic can be configured as 2-wire voice (USLF-2W/V) or 4-wire voice (USLF-4W/V).
- 2.8.4.3 USLF utilized for digital traffic can be configured as 2-wire ISDN (USLF-2W/I); 2-wire Copper (USLF-2W/C); 4-wire Copper (USLF-4W/C); 4-wire DS0 level loop (USLF-4W/D0); or 4-wire DS1 and ISDN (USLF-4W/DI).
- 2.8.4.4 USLF will provide access to both the equipment and the features in the BellSouth central office and BellSouth cross box necessary to provide a 2W or 4W communications pathway from the BellSouth central office to the BellSouth cross-box. This element will allow for the connection of FDN's loop distribution elements onto BellSouth's feeder system.
- 2.8.4.5 Requirements
- 2.8.4.5.1 FDN will extend a compatible cable to BellSouth's cross-box. BellSouth will connect the cable to a cross-connect panel inside the BellSouth cross-box to the requested level of feeder element. In those cases when there is no room in the BellSouth cross-box to accommodate the additional cross-connect panels mentioned above, FDN may request, through the BellSouth Special Construction process, a determination of costs to provide the sub-loop feeder element to FDN. FDN will then have the option of paying the special construction charges or canceling the order.
- 2.8.4.5.2 USLF will be a designed circuit and BellSouth will provide a Design Layout Record (DLR) for this element.

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- 2.8.4.5.3 BellSouth will provide USLF elements in accordance with applicable industry standards for these types of facilities. Where industry standards do not exist, BellSouth's TR73600 will be used to determine performance parameters.
- 2.8.4.6 Unbundled Sub-Loop Feeder – (USLF DS3 and above)
- 2.8.4.6.1 USLF DS3 and above provides connectivity between a BellSouth Serving Wire Center (SWC) and the Remote Terminal (RT) associated with that SWC that serves an end user location.
- 2.8.4.6.2 The sub-loop feeder is intended to be utilized for voice traffic and digital traffic. It can be configured at DS3, STS-1, OC-3, OC-12, or OC-48 transmission capacities.
- 2.8.4.6.3 The OC-48 Sub-Loop Feeder will consist of four (4) OC12 interfaces.
- 2.8.4.6.4 Both 2-fiber and 4-fiber-protect applications will be supported for OC-3 level and higher.
- 2.8.4.7 Requirements
- 2.8.4.7.1 Access in the SWC and RT will be via a Collocation cross-connect.
- 2.8.4.7.2 USLF DS3 and above will be a designed circuit. BellSouth will provide a Design Layout Record (DLR) for this network element.
- 2.8.4.7.3 Rates. Rates for these services are as set forth in Exhibit B of this Attachment. Mileage is based on airline miles.
- 2.8.4.7.4 BellSouth will provide USLF DS3 and above elements in accordance with applicable industry standards.
- 2.8.5 **Unbundled Loop Concentration (ULC)**
- 2.8.5.1 BellSouth will provide to FDN Unbundled Loop Concentration (ULC). Loop concentration systems in the central office concentrate the signals transmitted over local loops onto a digital loop carrier system. The concentration device is placed inside a BellSouth central office. BellSouth will offer ULC with a TR008 interface or a TR303 interface.
- 2.8.5.2 ULC will be offered in two system options. System A will allow up to 96 BellSouth loops to be concentrated onto two or more DS1s. The high-speed connection from the concentrator will be at the electrical DS1 level and will connect to FDN at FDN's collocation site. System B will allow up to 192 BellSouth loops to be concentrated onto 4 or more DS1s. System A may be upgraded to a System B. A minimum of two DS1s is required for each system (i.e., System A requires two DS1s and System B would require an additional two

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DS1s or four in total). All DS1 interfaces will terminate to FDN's collocation space. ULC service is offered with concentration (2 DS1s for 96 channels) or without concentration (4 DS1s for 96 channels) and with or without protection. A Loop Interface element will be required for each loop that is terminated onto the ULC system.

2.8.6 **Unbundled Sub-Loop Concentration (USLC)**

2.8.6.1 Where facilities permit, FDN may concentrate its sub-loops onto multiple DS1s back to the BellSouth Central Office.

2.8.6.2 USLC, using the Lucent Series 5 equipment, will be offered in two system options. System A will allow up to 96 of FDN's sub-loops to be concentrated onto two or more DS1s. System B will allow an additional 96 of FDN's sub-loops to be concentrated onto two or more additional DS1s. One System A may be supplemented with one System B and they both must be physically located in a single Series 5 dual channel bank. A minimum of two DS1s is required for each system (i.e., System A requires two DS1s and System B would require an additional two DS1s or four in total). The DS1 level facility that connects the Remote Terminal site with the serving wire center is known as a Feeder Interface. All DS1 Feeder Interfaces will terminate to FDN's demarcation point associated with FDN's collocation space within the SWC that serves the remote terminal (RT). USLC service is offered with or without concentration and with or without a protection DS1.

2.8.6.3 FDN is required to deliver its sub-loops to its own cross-box, RT, or other similar device and deliver a single cable to the BellSouth RT. This cable shall be connected, by a BellSouth technician, to a cross-connect panel within the BellSouth RT/cross-box and shall allow FDN's sub-loops to be placed on the USLC and transported to FDN's collocation space at a DS1 level.

2.8.7 **Dark Fiber Loop**

2.8.7.1 Dark Fiber Loop is an unused optical transmission facility, without attached signal regeneration, multiplexing, aggregation or other electronics, from an end user's premises that is connected via a cross connect or that can be terminated via a cross connect to the demarcation point associated with FDN's collocation space in the end user's serving wire center. Dark Fiber Loops may be strands of optical fiber existing in aerial or underground structures BellSouth will not provide line terminating elements, regeneration or other electronics necessary for FDN to utilize Dark Fiber Loops.

2.8.7.2 **Requirements**

2.8.7.2.1 BellSouth shall make available Dark Fiber Loop where it exists in BellSouth's network and where, as a result of future building or deployment, it becomes

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available. Dark Fiber Loop will not be deemed available if: (1) it is used by BellSouth for maintenance and repair purposes; (2) it is designated for use pursuant to a firm order placed by another customer; (3) it is restricted for use by all carriers, including BellSouth, because of transmission problems or because it is scheduled for removal due to documented changes to roads and infrastructure; or (4) BellSouth has specific, documented plans to use the fiber within a two year planning period. BellSouth is not required to place the new fiber cable or strands for Dark Fiber Loop if none is available.

2.8.7.2.2 FDN is solely responsible for testing the quality of the Dark Fiber to determine whether its usability and performance specifications meet FDN's service requirements.

2.8.7.2.3 BellSouth shall use its commercially reasonable efforts to provide to FDN information regarding the location, availability and performance of Dark Fiber Loop, within ten (10) business days after receiving a Service Inquiry ("SI") from FDN. At the request of FDN through contact with the Customer Wholesale Interconnection Network Service (CWINS), if made prior to providing access to the facilities, BellSouth will attempt to estimate the transmission loss of the channel at the customer's intended transmission wavelength: provided, however, that BellSouth does not warrant that the customer's channel will operate at that estimated loss or that the transmission loss will remain constant during the period in which the customer obtains the facilities from BellSouth. Within such time period, BellSouth shall send written confirmation of availability of the Dark Fiber ("Confirmation"). From the time of the request to forty-five (45) days after Confirmation, BellSouth shall hold such requested Dark Fiber for FDN's use and may not allow any other party to use such media, including BellSouth while any needed collocation augmentation is under construction.

2.8.7.2.4 If the requested Dark Fiber Loop is available, BellSouth shall use commercially reasonable efforts to provision the Dark Fiber Loop to FDN within twenty (20) business days after FDN submits a valid, error free LSR. Provisioning includes identification of appropriate connection points (e.g., Light Guide Interconnection (LGX)) to enable FDN to connect FDN provided transmission media (e.g., optical fiber) or equipment to the Dark Fiber Loop.

FDN may test Dark Fiber obtained from BellSouth using FDN -designated personnel. BellSouth shall provide appropriate interfaces to allow testing of Dark Fiber.

If the requested Dark Fiber Loop is not available, Bell South shall provide a written response to a CLEC's dark fiber SI within thirty (30) calendar days of receiving the SI. The written response must include specific reasons why dark fiber cannot be provided

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2.9 **Loop Makeup (LMU)**

2.9.1 Description of Service

- 2.9.1.1 BellSouth shall make available to FDN (LMU) information so that FDN can make an independent judgment about whether the Loop is capable of supporting the advanced services equipment FDN intends to install and the services FDN wishes to provide. This section addresses LMU as a preordering transaction, distinct from FDN ordering any other service(s). Loop Makeup Service Inquiries (LMUSI) for preordering loop makeup are likewise unique from other preordering functions with associated service inquiries (SI) as described in this Agreement.
- 2.9.1.2 BellSouth will provide FDN LMU information consisting of the composition of the loop material (copper/fiber); the existence, location and type of equipment on the Loop, including but not limited to digital loop carrier or other remote concentration devices, feeder/distribution interfaces, bridged taps, load coils, pair-gain devices; the loop length; the wire gauge and electrical parameters.
- 2.9.1.3 BellSouth's LMU information is provided to FDN as it exists either in BellSouth's databases or in its hard copy facility records. BellSouth does not guarantee accuracy or reliability of the LMU information provided, but the information provided will be the same as BellSouth has available for its own use.
- 2.9.1.4 BellSouth's provisioning of LMU information to the requesting CLEC on facilities is contingent upon either BellSouth or the requesting CLEC owning the loop(s) that serve the service location for which LMU information has been requested by the CLEC. The requesting CLEC is not authorized to receive LMU information on a facility owned by another CLEC unless BellSouth receives a Letter of Authorization (LOA) from the voice CLEC (owner) or its authorized agent on the LMUSI (Loop Makeup Service Inquiry) submitted by the requesting CLEC.
- 2.9.1.5 FDN may choose to use equipment that it deems will enable it to provide a certain type and level of service over a particular BellSouth Loop so long as that equipment does not disrupt other services on the BellSouth network. The determination shall be made solely by FDN and BellSouth shall not be liable in any way for the performance of the advanced data services provisioned over said Loop. The specific Loop type (ADSL, HDSL, or otherwise) ordered on the LSR must match the LMU of the loop reserved taking into consideration any requisite line conditioning. The LMU data is provided for informational purposes only and does not guarantee FDN's ability to provide advanced data services over the ordered loop type. Further, if FDN orders loops that do not require a specific facility medium (i.e. copper only) or loops that are not intended to support advanced services (such as UV-SL1, UV-SL2, or ISDN compatible loops) and that are not inventoried as advanced services loops, the LMU information for such loops is subject to change at any time due to modifications and/or upgrades to

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BellSouth's network. FDN is fully responsible for any of its service configurations that may differ from BellSouth's technical standard for the loop type ordered.

2.9.2 **Submitting Loop Makeup Service Inquiries**

2.9.2.1 FDN may obtain LMU information by submitting a LMU Service Inquiry (LMUSI) mechanically or manually. Mechanized LMUSIs should be submitted through BellSouth's Operational Support Systems interfaces. After obtaining the Loop information from the mechanized LMUSI process, if FDN needs further loop information in order to determine loop service capability, FDN may initiate a separate Manual Service Inquiry for a separate nonrecurring charge as set forth in Exhibit B of this Attachment.

2.9.2.2 Manual LMUSIs shall be submitted by electronic mail to BellSouth's Complex Resale Support Group (CRSG) utilizing the Preordering Loop Makeup Service Inquiry form. The service interval for the return of a Loop Makeup Manual Service Inquiry is three business days. Manual LMUSIs are not subject to expedite requests. This service interval is distinct from the interval applied to the subsequent service order.

2.9.3 **Loop Reservations**

2.9.3.1 For a Mechanized LMUSI, FDN may reserve up to ten Loop facilities. For a Manual LMUSI, FDN may reserve up to three Loop facilities.

2.9.3.2 FDN may reserve facilities for up to four (4) business days for each facility requested on a LMUSI from the time the LMU information is returned to FDN. During and prior to FDN placing an LSR, the reserved facilities are rendered unavailable to other customers, including BellSouth. If FDN does not submit an LSR for a UNE service on a reserved facility within the four-day reservation timeframe, the reservation of that spare facility will become invalid and the facility will be released.

2.9.3.3 Charges for preordering LMUSI are separate from any charges associated with ordering other services from BellSouth.

2.9.4 **Ordering of Other UNE Services**

2.9.4.1 All LSRs issued for reserved facilities shall reference the facility reservation number as provided by BellSouth. FDN will not be billed any additional LMU charges for the loop ordered on such LSR. If, however, FDN does not reserve facilities upon an initial LMUSI, FDN's placement of an order for an advanced data service type facility will incur the appropriate billing charges to include service inquiry and reservation per Exhibit B of this Attachment.

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- 2.9.4.2 Where FDN has reserved multiple Loop facilities on a single reservation, FDN may not specify which facility shall be provisioned when submitting the LSR. For those occasions, BellSouth will assign to FDN, subject to availability and on a parity basis, a facility that meets the BellSouth technical standards of the BellSouth type Loop as ordered by FDN. If the ordered Loop type is not available, FDN may utilize the Unbundled Loop Modification process or the Special Construction process, as applicable, to obtain the Loop type ordered.

~~2.10 Reserved for Commission determination of proper terms necessary to comply with its Order in Docket No. 010098.~~

~~BellSouth Proposed terms~~

~~2.10 ——— Continued Provision of FastAccess to FDN End Users~~

- ~~2.10.1. ——— In order to comply with the Florida Public Service Commission's Order in Docket No. 010098-TP, and notwithstanding any contrary provisions in this Agreement, BellSouth Tariff F.C.C. Number 1, or any other agreements or tariffs of BellSouth, in cases in which BellSouth provides BellSouth® FastAccess® Internet Service ("FastAccess") to an end-user and FDN submits an authorized request to provide voice service to that end-user, BellSouth shall continue to provide FastAccess to the end-user who obtains voice service from FDN over UNE loops.~~

- ~~2.10.1.1 BellSouth may not evade any of its obligations under this subsection 2.10 by offering or providing any of the services or component services under this subsection through any affiliate, including, but not limited to, BellSouth.net, Inc. or successor by corporate merger.~~

- ~~2.10.1.2 ——— Regardless of how BellSouth provisions its FastAccess to an end-user, when an end-user switches to FDN voice service, BellSouth's FastAccess will not be terminated, suspended or interrupted, except as may be expressly provided for herein, and BellSouth's continuation of its FastAccess to the end-user switching to FDN voice service shall be a seamless or transparent transition for the end-user such that there shall be no more than a momentary disruption of FastAccess and voice services.~~

- ~~2.10.1.3 ——— Where BellSouth's FastAccess could be provisioned over the high-frequency portion of a loop coexistent with FDN circuit-switched voice services on the same loop, BellSouth may elect to maintain the BellSouth FastAccess on the same loop such that the FastAccess is not altered when the end-user switches to FDN's voice service.~~

- ~~2.10.1.4 BellSouth may satisfy its obligations under this Section 2.10 by providing FastAccess on a BellSouth owned and maintained loop, ("Standalone FastAccess"), that is~~

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separate and distinct from the line FDN uses for voice services. Where feasible, and where a loop is available for FDN voice services that satisfies all of the standards set forth in this Agreement, BellSouth may elect to maintain FastAccess on the extant loop and FDN voice services will be provisioned over a second loop.

2.10.1.5 BellSouth may not impose an additional charge to the end user associated with the provision of FastAccess on a second loop. Notwithstanding the foregoing, the end user shall not be entitled to any discounts on FastAccess associated with the purchase of other BellSouth products, e.g., the Complete Choice discount.

2.10.1.6 BellSouth shall bill the end user for FastAccess via a credit card. In the event the end user does not have a credit card or does not agree to any conditions associated with Standalone FastAccess, BellSouth shall be relieved of its obligation to continue to provide FastAccess to end users who obtain voice service from FDN over UNE loops.

2.10.1.7 In implementing the Commission's Order in Docket No. 010098-TP, BellSouth shall not create any additional barriers to FDN's ability to compete in the local exchange services market.

2.10.1.8 Nothing in this Section 2.10 shall require BellSouth to continue providing FastAccess to an end user who fails to pay all charges associated with FastAccess or otherwise fails to comply with the end user's Service Agreement with BellSouth or the applicable Acceptable Use policies for FastAccess.

2.10.1.9 In the event BellSouth elects to comply with this Section 2.10 by providing FastAccess on an FDN UNE Loop, FDN shall make available to BellSouth at no charge the high frequency spectrum on such UNE Loop for purposes of providing the underlying DSL transport.

2.10.2 Provisioning

2.10.2.1 FDN and BellSouth shall each establish a single point of contact ("SPOC") for purposes of the provision of FastAccess pursuant to this Section 2.10.

2.10.2.2 When FDN submits an LSR for a UNE loop, and there is a DSL USOC on the end user's service record, the LCSC will auto-clarify the order.

2.10.2.3 Upon receiving the auto-clarified order, FDN shall notify the BellSouth SPOC, and the BellSouth SPOC shall determine whether the end user is a FastAccess customer.

2.10.2.4 FDN and BellSouth will develop processes to promptly correct problems with or disconnections of FastAccess service to FDN voice end users.

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~~2.10.2.5 If the end user does not have FastAccess but has some other DSL service, BellSouth shall remove the DSL service associated USOC and process the FDN LSR for the UNE loop.~~

~~2.10.2.6 If the end user receives FastAccess service, FDN shall forward to the SPOC end user contact information (i.e. telephone number or email address) in order for BellSouth to perform its obligations under this Section 2.10. FDN may include such contact information on the LSR. After receipt of contact information from FDN, BellSouth shall have three days to make the election as to which line FastAccess service will be provisioned on as set forth in 2.10.2.7 and to notify FDN of that election. If BellSouth contacts the end user during this process, BellSouth may do so only to validate the end user's current and future FastAccess services and facilities. During such contact, BellSouth will not engage in any winback or retention efforts, and BellSouth will refer the end user to FDN to answer any questions regarding the end user's FDN services.~~

~~2.10.2.7 After election by BellSouth as to which line FastAccess will be provisioned on (either the existing loop, or on a second facility) FDN will submit a revised LSR for the conversion of the voice service to a UNE loop. If BellSouth elects to move the FastAccess to a new Standalone loop, FDN will submit an LSR with a due date 14 calendar days from submission to allow BellSouth sufficient time to transition the FastAccess service to the second line. If BellSouth elects to keep the FastAccess service on the current facilities and provision FDN voice services on the same or separate facilities, FDN will submit a revised LSR for voice service on such facilities using standard processes and intervals, and allow the FastAccess service to remain on the current facilities.~~

~~2.10.2.8 If a second facility is not available for either the Standalone Service or the newly ordered UNE Loop, then BellSouth shall be relieved from its obligation to continue to provide FastAccess service, provided that the number of locations where facilities are not available does not exceed 10% of total UNE orders with FastAccess.~~

~~2.10.2.9 FDN authorizes BellSouth to access the entire UNE loop for testing purposes.~~

~~2.10.2.10 FDN and BellSouth agree that after the initial 90 days (and every 90 days thereafter) of provisioning FastAccess service in accordance with this Section 2.10, FDN and BellSouth will meet to discuss and negotiate in good faith any means for improving and streamlining the provisioning process.~~

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Florida Digital Network Proposed terms

2.10 Continued Provision of xDSL Services to FDN End Users

- 2.10.1. ~~In order to comply with the Florida Public Service Commission's Order in Docket No. 010098-TP, and notwithstanding any contrary provisions in this Agreement, BellSouth Tariff F.C.C. Number 1, or any other agreements or tariffs of BellSouth, in cases in which BellSouth provides xDSL services (as defined in this Section 2.10) to an end user and FDN submits an authorized request to provide voice service to that end user, BellSouth shall continue to provide xDSL services to the end user.~~
- 2.10.1.1 ~~BellSouth may not evade any of its obligations under this subsection 2.10 by offering or providing any of the services or component services under this subsection through any affiliate, including, but not limited to BellSouth.net, Inc. or successor by corporate merger.~~
- 2.10.1.2 ~~For purposes of this subsection 2.10, BellSouth xDSL services include, but are not limited to, (i) the xDSL telecommunications services sold to information services providers on a wholesale basis and/or other customers pursuant to any BellSouth contract or tariff, and (ii) retail information services provided by BellSouth that utilize xDSL telecommunications provided by BellSouth.~~
- 2.10.1.3 ~~Regardless of how BellSouth provisions its xDSL services to an end user, when an end user switches to FDN voice service, BellSouth's xDSL service will not be terminated, suspended or interrupted, except as may be expressly provided for herein, and BellSouth's continuation of its xDSL service to the end user location switching to FDN service shall be a seamless or transparent transition for the end user such that there shall be no more than a momentary disruption of xDSL and voice services.~~
- 2.10.1.4 ~~Where BellSouth's xDSL service could be provisioned over the high frequency portion of a loop coexistent with circuit switched voice services on the same loop, BellSouth may elect to maintain xDSL service on the same loop such that the xDSL service is not altered when the end user switches to FDN voice service.~~
- 2.10.1.5 ~~BellSouth may satisfy its obligations under this Section 2.10 by providing its xDSL services on a BellSouth owned and maintained loop, ("Standalone Service"), that is separate and distinct from the line FDN uses for voice services. Where feasible, and where a loop is available for FDN services that satisfies all of the standards set forth in this Agreement, BellSouth may elect to maintain the xDSL services on the extant loop and FDN voice services will be provisioned over a second loop.~~

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- 2.10.1.5.1 — ~~BellSouth may not impose any additional charges on FDN, FDN's customers, or BellSouth's xDSL customer related to the implementation of this Section 2.10.~~
- 2.10.1.5.2 — ~~The contractual or tariffed rates, terms and conditions under which BellSouth xDSL services are provided will not make any distinction based upon the type, carrier, or volume of voice or any other services provided to the customer location.~~
- 2.10.1.5.3 — ~~In implementing the Commission's Order in Docket No. 010098-TP, BellSouth shall not create directly or indirectly any additional barriers to FDN's ability to compete in the voice services market.~~
- 2.10.1.5.4 — ~~BellSouth will continue to provide end users receiving FDN voice service and BellSouth xDSL service the same billing options for xDSL service as before, or the parties will collaborate on the development of a billing system that will permit FDN to provide billing services to end users that receive BellSouth xDSL services.~~
- 2.10.1.6 — ~~Nothing in this Section 2.10 shall require BellSouth to continue providing xDSL services to an end user who fails to pay all charges associated with xDSL service or otherwise fails to comply with the end user's Service Agreement with BellSouth or the applicable Acceptable Use policies.~~
- 2.10.1.7 — ~~In the event BellSouth elects to comply with this Section 2.10 by providing xDSL service on an FDN UNE Loop, FDN shall make available to BellSouth at no charge the high frequency spectrum on such UNE Loop for purposes of providing the underlying DSL transport.~~
- 2.10.2 — **Provisioning**
- 2.10.2.1 — ~~FDN and BellSouth shall each establish a single point of contact ("SPOC") for purposes of the provision of BellSouth xDSL services pursuant to this Section 2.10.~~
- 2.10.2.2 — ~~When FDN submits an LSR for a UNE loop, and there is a DSL USOC on the end user's service record, the LCSC will auto-clarify the order.~~
- 2.10.2.3 — ~~Upon receiving the auto-clarified order, FDN shall notify the BellSouth SPOC, and the BellSouth SPOC shall determine whether the end user is a BellSouth xDSL services customer.~~
- 2.10.2.4 — ~~If the end user receives xDSL service, FDN shall forward to the SPOC end user contact information (i.e. telephone number or email address) in order for BellSouth to perform its obligations under this Section 2.10. FDN may include such contact information on the LSR. After receipt of contact information from FDN, BellSouth shall have three days to make the election as to which line xDSL service~~

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~~will be provisioned on as set forth in 2.10.2.5 and to notify FDN of that election. If BellSouth contacts the end user during this process, BellSouth may do so only to validate the end user's current xDSL services and facilities. During such contact, BellSouth will not engage in any winback or retention efforts, and BellSouth will refer the end user to FDN to answer any questions regarding the end user's services.~~

- ~~2.10.2.5 After election by BellSouth as to which line xDSL service will be provisioned on (either the existing or on a second facility) FDN will submit a revised LSR for the conversion of the voice service. If BellSouth elects to move the xDSL service to a new Standalone loop, FDN will submit an LSR with a due date 14 calendar days from submission to allow BellSouth sufficient time to transition the xDSL service to the second line. If BellSouth elects to keep the xDSL service on the current facilities and provision FDN voice services on the same or separate facilities, FDN will submit a revised LSR for voice service on such facilities using standard processes and intervals, and allow the xDSL service to remain on the current facilities.~~
- ~~2.10.2.6 FDN authorizes BellSouth to access the entire UNE loop for testing purposes.~~
- ~~2.10.2.7 FDN and BellSouth agree that after the initial 90 days (and every 90 days thereafter) of provisioning xDSL service in accordance with this Section 2.10, FDN and BellSouth will meet to discuss and negotiate in good faith any means for improving and streamlining the provisioning process.~~
- ~~2.10.2.8 FDN and BellSouth will develop processes to promptly correct problems with or disconnections of FastAccess service to FDN voice end users.~~

3 High Frequency Spectrum Network Element

3.1 General

- 3.1.1** BellSouth shall provide FDN access to the high frequency spectrum of the local loop as an unbundled network element only where BellSouth is the voice service provider to the end user at the rates set forth in this Attachment.
- 3.1.2** The High Frequency Spectrum is defined as the frequency range above the voiceband on a copper loop facility carrying analog circuit-switched voiceband transmissions. Access to the High Frequency Spectrum is intended to allow FDN the ability to provide Digital Subscriber Line ("xDSL") data services to the end user for which BellSouth provides voice services. The High Frequency Spectrum shall be available for any version of xDSL complying with Spectrum Management Class 5 of ANSI T1.417, American National Standard for Telecommunications, Spectrum Management for Loop Transmission Systems. In a line sharing arrangement, BellSouth will continue to have access to the low frequency portion

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of the loop spectrum (from 300 Hertz to at least 3000 Hertz, and potentially up to 3400 Hertz, depending on equipment and facilities) for the purposes of providing voice service. FDN shall only use xDSL technology that is within the PSD mask for Spectrum Management Class 5 as found in the above-mentioned document.

- 3.1.3 Access to the High Frequency Spectrum requires an unloaded, 2-wire copper Loop. An unloaded Loop is a copper Loop with no load coils, low-pass filters, range extenders, DAMLs, or similar devices and minimal bridged taps consistent with ANSI T1.413 and T1.601.
- 3.1.4 BellSouth will provide Loop Modification to FDN on an existing Loop in accordance with procedures developed in the Line Sharing Collaborative. High Frequency Spectrum (Central Office Based) Unbundled Loop Modification is a separate distinct service from Unbundled Loop Modification set forth in Section 2.5 of this Attachment. Procedures for High Frequency Spectrum (Central Office Based) Unbundled Loop Modification were developed in the Line Sharing Collaborative and may be found posted to the web at <http://www.interconnection.bellsouth.com/html/unes.html>. Nonrecurring rates for this UNE offering may be found in Exhibit B of this Attachment. BellSouth is not required to modify a Loop for access to the High Frequency spectrum if modification of that Loop significantly degrades BellSouth's voice service. If FDN requests that BellSouth modify a Loop longer than 18,000 ft. and such modification significantly degrades the voice services on the Loop, FDN shall pay for the Loop to be restored to its original state.
- 3.1.5 The High Frequency Spectrum shall only be available on Loops on which BellSouth is also providing, and continues to provide, analog voice service directly to the end user. In the event the end-user terminates its BellSouth provided voice service for any reason, or in the event BellSouth disconnects the end user's voice service pursuant to its tariffs or applicable law, and FDN desires to continue providing xDSL service on such Loop, FDN shall be required to purchase a full stand-alone Loop unbundled network element. To the extent commercially practicable, BellSouth shall give FDN notice in a reasonable time prior to disconnect, which notice shall give FDN an adequate opportunity to notify BellSouth of its intent to purchase such Loop. In those cases in which BellSouth no longer provides voice service to the end user and FDN purchases the full stand-alone loop, FDN may elect the type of loop it will purchase. FDN will pay the appropriate recurring and non-recurring rates for such Loop as set forth in Exhibit B to this Attachment. In the event FDN purchases a voice grade Loop, FDN acknowledges that such Loop may not remain xDSL compatible.
- 3.1.6 Only one competitive local exchange carrier (CLEC) shall be permitted access to the High Frequency Spectrum of any particular loop.

3.2 **Provisioning of High Frequency Spectrum and Splitter Space**

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- 3.2.1 BellSouth will provide FDN with access to the High Frequency Spectrum as follows:
- 3.2.1.1 To order High Frequency Spectrum on a particular Loop, FDN must have a Digital Subscriber Line Access Multiplexer (DSLAM) collocated in the central office that serves the end-user of such Loop.
- 3.2.1.2 FDN may provide its own splitters or may order splitters in a central office once it has installed its DSLAM in that central office. BellSouth will install splitters within thirty-six (36) calendar days of FDN's submission of an error free Line Splitter Ordering Document ("LSOD") to the BellSouth Complex Resale Support Group.
- 3.2.1.3 Once a splitter is installed on behalf of FDN in a central office in which FDN is located, FDN shall be entitled to order the High Frequency Spectrum on lines served out of that central office. BellSouth will bill and FDN shall pay the electronic or manual ordering charges as applicable when FDN orders High Frequency Spectrum for end-user service.
- 3.2.1.4 BellSouth shall test the data portion of the loop to ensure the continuity of the wiring for FDN's data.
- 3.3 **BellSouth Provided Splitter**
- 3.3.1 BellSouth will select, purchase, install, and maintain a central office POTS splitter and provide FDN access to data ports on the splitter. The splitter will route the High Frequency Spectrum on the circuit to FDN's xDSL equipment in FDN's collocation space. At least 30 days before making a change in splitter suppliers, BellSouth will provide FDN with a carrier notification letter, informing FDN of change. FDN shall purchase ports on the splitter in increments of 8, 24, or 96 ports in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina and South Carolina. FDN shall purchase ports on the splitter in increments of 24 or 96 ports in Tennessee.
- 3.3.2 BellSouth will install the splitter in (i) a common area close to FDN's collocation area, if possible; or (ii) in a BellSouth relay rack as close to FDN's DS0 termination point as possible. FDN shall have access to the splitter for test purposes, regardless of where the splitter is placed in the BellSouth premises. For purposes of this section, a common area is defined as an area in the central office in which both Parties have access to a common test access point. A Termination Point is defined as the point of termination for FDN on the main distributing frame in the central office and is not the demarcation point set forth in Attachment 4 the current Collocation terms of this Agreement. BellSouth will cross-connect the splitter data ports to a specified FDN DS0 at such time that a FDN end user's service is established.

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3.4 **CLEC Provided Splitter**

3.4.1 FDN may at its option purchase, install and maintain central office POTS splitters in its collocation arrangements. FDN may use such splitters for access to its customers and to provide digital line subscriber services to its customers using the High Frequency Spectrum. Existing Collocation rules and procedures and the terms and conditions relating to Collocation set forth in the current Collocation terms of this Agreement Attachment 4 shall apply.

3.4.2 Any splitters installed by FDN in its collocation arrangement shall comply with ANSI T1.413, Annex E, or any future ANSI splitter Standards. FDN may install any splitters that BellSouth deploys or permits to be deployed for itself or any BellSouth affiliate.

3.5 **Ordering**

3.5.1 FDN shall use BellSouth's Line Splitter Ordering Document ("LSOD") to order splitters from BellSouth and to activate and deactivate DS0 Collocation Connecting Facility Assignments (CFA) for use with High Frequency Spectrum.

3.5.2 BellSouth will provide FDN the Local Service Request ("LSR") format to be used when ordering the High Frequency Spectrum.

3.5.3 BellSouth will provision High Frequency Spectrum in compliance with BellSouth's Products and Services Interval Guide available at the website at <http://www.interconnection.bellsouth.com>.

3.5.4 BellSouth will provide FDN access to Preordering Loop Makeup (LMU), in accordance with the terms of this Agreement. BellSouth shall bill and FDN shall pay the rates for such services, as described in Exhibit B.

3.6 **Maintenance and Repair**

3.6.1 FDN shall have access for repair and maintenance purposes, to any loop for which it has access to the High Frequency Spectrum. If FDN is using a BellSouth owned splitter, FDN may access the loop at the point where the combined voice and data signal exits the central office splitter via a bantam test jack. If FDN provides its own splitter, it may test from the collocation space or the Termination Point.

3.6.2 BellSouth will be responsible for repairing voice services and the physical line between the network interface device at the customer's premises and the Termination Point. FDN will be responsible for repairing data services. Each Party will be responsible for maintaining its own equipment.

3.6.3 FDN shall inform its end users to direct data problems to FDN, unless both voice and data services are impaired, in which event the end users should call BellSouth.

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- 3.6.4 Once a Party has isolated a trouble to the other Party's portion of the loop, the Party isolating the trouble shall notify the end user that the trouble is on the other Party's portion of the Loop.
- 3.6.5 Notwithstanding anything else to the contrary in this Agreement, when BellSouth receives a voice trouble and isolates the trouble to the physical collocation arrangement belonging to FDN, BellSouth will notify FDN. FDN will provide at least one but no more than two (2) verbal connecting facility assignments (CFA) pair changes to BellSouth in an attempt to resolve the voice trouble. In the event a CFA pair change resolves the voice trouble, FDN will provide BellSouth an LSR with the new CFA pair information within 24 hours. If the owner of the collocation space fails to resolve the trouble by providing BellSouth with the verbal CFA pair changes, BellSouth may discontinue FDN's access to the High Frequency Spectrum on such loop. BellSouth will not be responsible for any loss of data as a result of this action.
- 3.7 **Line Splitting**
- 3.7.1 General
- 3.7.2 Line splitting allows a provider of data services (a "Data LEC") and a provider of voice services (a "Voice CLEC") to deliver voice and data service to end-users over the same loop. The Voice CLEC and Data LEC may be the same or different carriers. FDN shall provide BellSouth with a signed Letter of Authorization ("LOA") between it and the Data LEC or Voice CLEC with which it desires to provision Line Splitting services, if FDN will not provide voice and data services.
- 3.7.3 End Users currently receiving voice service from a Voice CLEC through a UNE platform (UNE-P) may be converted to Line Splitting arrangements by FDN or its authorized agent ordering Line Splitting Service. If the CLEC wishes to provide the splitter, the UNE-P arrangement will be converted to a stand-alone UNE loop, a UNE port, two collocation cross connects and the high frequency spectrum line activation. If BellSouth owns the splitter, the UNE-P arrangement will be converted to a stand-alone UNE loop, port, and one collocation cross connection.
- 3.7.4 When end users on Loops using High Frequency Spectrum CO Based line sharing service are converted to Line Splitting, BellSouth will discontinue billing FDN for the High Frequency Spectrum. BellSouth will continue to bill the Data LEC for all associated splitter charges if the Data LEC continues to use a BellSouth splitter. It is the responsibility of FDN or its authorized agent to determine if the loop is compatible for Line Splitting Service. FDN or its authorized agent may use the existing loop unless it is not compatible with the Data LEC's data service and FDN or its authorized agent submits an LSR to BellSouth to change the loop.
- 3.8 **Provisioning Line Splitting and Splitter Space**

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- 3.8.1 The Data LEC, Voice CLEC or BellSouth may provide the splitter. When FDN or its authorized agent owns the splitter, Line Splitting requires the following: a non-designed analog loop from the serving wire center to the network interface device (NID) at the end user's location; a collocation cross connection connecting the loop to the collocation space; a second collocation cross connection from the collocation space connected to a voice port; the high frequency spectrum line activation, and a splitter. The loop and port cannot be a loop and port combination (i.e. UNE-P), but must be individual stand-alone network elements. In the case of End Users currently receiving voice service from a Voice CLEC through a UNE-P, Section 3.7.3 applies. When BellSouth owns the splitter, Line Splitting requires the following: a non designed analog loop from the serving wire center to the network interface device (NID) at the end user's location with CFA and splitter port assignments, and a collocation cross connection from the collocation space connected to a voice port.
- 3.8.2 An unloaded 2-wire copper loop must serve the end user. The meet point for the Voice CLEC and the Data LEC is the point of termination on the MDF for the Data LEC's cable and pairs.
- 3.8.3 The foregoing procedures are applicable to migration to Line Splitting Service from a UNE-P arrangement, Bellsouth Retail Voice Service, BellSouth High Frequency Spectrum (CO Based) Line Sharing.
- 3.8.4 For other migration scenarios to line splitting, BellSouth will work cooperatively with CLECs to develop methods and procedures to develop a process whereby a Voice CLEC and a Data LEC may provide services over the same loop.
- 3.9 Ordering**
- 3.9.1 FDN shall use BellSouth's Line Splitter Ordering Document ("LSOD") to order splitters from BellSouth and to activate and deactivate DS0 Collocation Connecting Facility Assignments (CFA) for use with Line Splitting.
- 3.9.2 BellSouth shall provide FDN the Local Service Request ("LSR") format to be used when ordering Line Splitting service.
- 3.9.3 BellSouth will provision Line Splitting service in compliance with BellSouth's Products and Services Interval Guide available at the website at <http://www.interconnection.bellsouth.com>.
- 3.9.4 BellSouth will provide FDN access to Preordering Loop Makeup (LMU) in accordance with the terms of this Agreement. BellSouth shall bill and FDN shall pay the rates for such services as described in Exhibit B.
- 3.9.5 BellSouth will provide loop modification to FDN on an existing loop in accordance with procedures developed in the Line Sharing Collaborative. High

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Frequency Spectrum (CO Based) Unbundled Loop Modification is a separate distinct service from Unbundled Loop Modification set forth in Section 2.5 of this Attachment. Procedures for High Frequency Spectrum (CO Based) Unbundled Loop Modification may be found on the web at:

[HTTP://www.interconnection.bellsouth.com/html/unes.html](http://www.interconnection.bellsouth.com/html/unes.html). Nonrecurring rates for this UNE offering may be found in Exhibit B of this Attachment.

3.10 Maintenance

- 3.10.1 BellSouth will be responsible for repairing voice services and the physical line between the network interface device at the customer's premises and the Termination Point. FDN will be responsible for repairing data services. Each Party will be responsible for maintaining its own equipment.
- 3.10.2 FDN shall inform its end users to direct data problems to FDN, unless both voice and data services are impaired, in which event the end users should call BellSouth.
- 3.10.3 Once a Party has isolated a trouble to the other Party's portion of the loop, the Party isolating the trouble shall notify the end user that the trouble is on the other Party's portion of the Loop.
- 3.10.4 When BellSouth receives a voice trouble and isolates the trouble to the physical collocation arrangement belonging to owner of the collocation space, BellSouth will notify the owner of the collocation space. The owner of the collocation space will provide at least one but no more than two (2) verbal CFA pair changes to BellSouth in an attempt to resolve the voice trouble. In the event the CFA pair is changed, the owner of the collocation space will provide BellSouth an LSR with the new CFA pair information within 24 hours. If the owner of the collocation space fails to resolve the trouble by providing BellSouth with the verbal CFA pair changes, BellSouth may discontinue the owner of the collocation space access to the High Frequency Spectrum on such loop.
- 3.10.5 Where neither FDN nor BellSouth is the data provider and the data provider does not have any contract privity with BellSouth on the data provider's use of the high frequency portion of the loop as contemplated herein, FDN will indemnify, defend and hold harmless BellSouth from and against any claims, losses, actions, causes of action, suits, demands, damages, injury and costs, including reasonable attorneys' fees, to the extent the basis for such claims is proximately caused by the data provider's use of the high frequency portion of the loop as contemplated in this section, and, except in cases of BellSouth's gross negligence or willful misconduct, FDN's indemnification obligation under this provision will not be subject to the limitation of liability provisions of this Agreement.

3.11 Remote Site High Frequency Spectrum

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- 3.11.1 General
- 3.11.2 BellSouth shall provide FDN access to the high frequency spectrum of the local sub-loop as an unbundled network element (UNE) only where BellSouth is the voice service provider to the end user at the rates set forth in this Attachment.
- 3.11.3 The High Frequency Spectrum is defined as the frequency range above the voiceband on a copper sub-loop facility carrying analog circuit-switched voiceband transmissions. Access to the High Frequency Spectrum is intended to allow FDN the ability to provide Digital Subscriber Line ("xDSL") data services to the end user for whom BellSouth provides voice services. The High Frequency Spectrum shall be available for any version of xDSL complying with Spectrum Management Class 5 of ANSI T1.417, American National Standard for Telecommunications, Spectrum Management for Loop Transmission Systems. BellSouth will continue to have access to the low frequency portion of the sub-loop spectrum (from 300 Hertz to at least 3000 Hertz, and potentially up to 3400 Hertz, depending on equipment and facilities) for the purposes of providing voice service. FDN shall only use xDSL technology that is within the PSD mask for Spectrum Management Class 5 as found in the above-mentioned document.
- 3.11.4 Access to the High Frequency Spectrum requires an unloaded, 2-wire (Non-Designed) copper sub-loop. An unloaded copper sub-loop has no load coils, low-pass filters, range extenders, DAMLs, or similar devices and minimal bridged taps consistent with ANSI T1.413 and T1.601.
- 3.11.5 BellSouth will provide Loop Modification to FDN on an existing sub-loop in accordance with procedures developed in the Line Sharing Collaborative. Procedures for High Frequency Spectrum (Remote Site) Unbundled Loop Modification were developed in the Line Sharing Collaborative and may be found posted to the web at <http://www.interconnection.bellsouth.com/html/unes.html>. Nonrecurring rates for this UNE offering may be found in Exhibit B of this Attachment. BellSouth is not required to modify a loop for access to the High Frequency spectrum if modification of that loop significantly degrades BellSouth's voice service. If FDN requests modifications on a sub loop longer than 18,000 ft. and requested modifications significantly degrades the voice services on the loop, FDN shall pay for the loop to be restored to its original state.
- 3.11.6 The High Frequency Spectrum shall only be available on sub-loops provided by BellSouth that continues to provide, analog voice service directly to the end user. In the event the end-user terminates its BellSouth provided voice service for any reason, or in the event BellSouth disconnects the end user's voice service pursuant to its tariffs or applicable law, and FDN desires to continue providing xDSL service on such sub-loop, FDN shall be required to purchase a full stand-alone sub-loop. To the extent commercially practicable, BellSouth shall give FDN notice in a reasonable time prior to disconnect, which notice shall give FDN an adequate opportunity to notify BellSouth of its intent to purchase such sub-loop. In those

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cases where BellSouth no longer provides voice service to the end user and FDN purchases the full stand-alone sub-loop, FDN may elect the type of sub-loop it will purchase. FDN will pay the appropriate recurring and non-recurring rates for such sub-loop as set forth in Exhibit B to this Attachment. In the event FDN purchases a voice grade Loop, FDN acknowledges that such sub-loop may not remain xDSL compatible.

- 3.11.7 Only one competitive local exchange carrier shall be permitted access to the High Frequency Spectrum of any particular sub-loop.
- 3.12 **Provisioning of High Frequency Spectrum and Splitter Space**
 - 3.12.1 BellSouth will provide FDN with access to the High Frequency Spectrum as follows:
 - 3.12.1.1 To order High Frequency Spectrum on a particular sub-loop, FDN must have a Digital Subscriber Line Access Multiplexer (DSLAM) collocated at the remote site that serves the end-user of such sub-loop.
 - 3.12.1.2 FDN may provide its own splitters or may order splitters in a remote site once the FDN has installed its DSLAM at that remote site. BellSouth will install splitters within thirty-six (36) calendar days of FDN's submission of an error free Line Splitter Ordering Document ("LSOD") to the BellSouth Complex Resale Support Group.
 - 3.12.1.3 Once a splitter is installed on behalf of FDN in a remote site in which FDN is located, FDN shall be entitled to order the High Frequency Spectrum on lines served out of that remote site. BellSouth will bill and FDN shall pay applicable for High Frequency Spectrum end-user activation.
 - 3.13 **BellSouth Owned Splitter**
 - 3.13.1 BellSouth will select, purchase, install and maintain a splitter at the remote site. The FDN's meet point is at the BellSouth "cross connect" point located at the Feeder Distribution Interface (FDI). The FDN will provide a cable facility to the BellSouth FDI. BellSouth will splice the FDN's cable to BellSouth's spare binding post in the FDI and use "cross connects" to connect the FDN's cable facility to the BellSouth splitter. The splitter will route the high frequency portion of the circuit to the FDN's xDSL equipment in their collocation space. Access to the high frequency spectrum is not compatible with foreign exchange (FX) lines, ISDN, and other services listed in the technical section of this document.
 - 3.13.2 The BellSouth splitter bifurcates the digital and voice band signals. The low frequency voice band portion of the circuit is routed back to the BellSouth switch. The high frequency digital traffic portion of the circuit is routed to the xDSL equipment in the FDN's Remote Terminal (RT) collocation space and routed back

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to the FDN's network. At least 30 business days before making a change in splitter suppliers, BellSouth will provide FDN with a carrier notification letter, informing FDN of change. FDN shall purchase ports on the splitter in increments of 24 ports.

- 3.13.3 BellSouth will install the splitter in (i) a common area close to FDN's collocation area, if possible; or (ii) in a BellSouth relay rack as close to FDN's DS0 termination point as possible. FDN shall have access to the splitter for test purposes, regardless of where the splitter is placed in the BellSouth premises. For purposes of this section, a common area is defined as an area in the remote site in which both Parties have access to a common test access point. BellSouth will cross-connect the splitter data ports to a specified FDN DS0 at such time that a FDN end user's service is established.

3.14 **CLEC Owned Splitter**

- 3.14.1 FDN may at its option purchase, install and maintain splitters in its collocation arrangements. FDN may use such splitters for access to its customers and to provide digital line subscriber services to its customers using the High Frequency Spectrum. Existing Collocation rules and procedures shall apply. The CLEC will be required to activate cable pairs in no less than 8 (eight) pair increments.

- 3.14.2 Any splitters installed by FDN in its collocation arrangement shall comply with ANSI T1.413, Annex E, or any future ANSI splitter Standards. FDN may install any splitters that BellSouth deploys or permits to be deployed for itself or any BellSouth affiliate.

3.15 **Ordering**

- 3.15.1 FDN shall use BellSouth's Remote Splitter Ordering Document ("RSOD") to order and activate splitters from BellSouth or to activate CLEC owned splitters at an RT for use with High Frequency Spectrum.

- 3.15.2 BellSouth will provide FDN the Local Service Request ("LSR") format to be used when ordering the High Frequency Spectrum.

- 3.15.3 BellSouth will provision High Frequency Spectrum in compliance with BellSouth's Products and Services Interval Guide available at the website at <http://www.interconnection.bellsouth.com>.

- 3.15.4 BellSouth will provide FDN access to Preordering Loop Makeup (LMU), in accordance with the terms of this Agreement. BellSouth shall bill and FDN shall pay the rates for such services, as described in Exhibit B.

- 3.15.5 BellSouth shall test the data portion of the sub-loop to ensure the continuity of the wiring for FDN's data.

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3.16 **Maintenance and Repair**

- 3.16.1 FDN shall have access for repair and maintenance purposes, to any sub-loop for which it has access to the High Frequency Spectrum. If FDN is using a BellSouth owned splitter, FDN may access the sub-loop at the point where the data signal exits. If FDN provides its own splitter, it may test from the collocation space or the Termination Point.
- 3.16.2 BellSouth will be responsible for repairing voice services and the physical line between the network interface device at the customer's premises and the Termination Point. FDN will be responsible for repairing data services. Each Party will be responsible for maintaining its own equipment.
- 3.16.3 FDN shall inform its end users to direct data problems to FDN, unless both voice and data services are impaired, in which event the end users should call BellSouth.
- 3.16.4 Once a Party has isolated a trouble to the other Party's portion of the sub-loop, the Party isolating the trouble shall notify the end user that the trouble is on the other Party's portion of the sub-loop.
- 3.16.5 Notwithstanding anything else to the contrary in this Agreement, when BellSouth receives a voice trouble and isolates the trouble to the physical collocation arrangement belonging to FDN, BellSouth will notify FDN. FDN will provide at least one but no more than two (2) verbal connecting facility assignments (CFA) pair changes to BellSouth in an attempt to resolve the voice trouble. In the event a CFA pair change resolves the voice trouble, FDN will provide BellSouth an LSR with the new CFA pair information within 24 hours. If the owner of the collocation space fails to resolve the trouble by providing BellSouth with the verbal CFA pair changes, BellSouth may discontinue FDN's access to the High Frequency Spectrum on such sub-loop. BellSouth will not be responsible for any loss of data as a result of this action.

4 **Local Switching**

- 4.1 BellSouth shall provide non-discriminatory access to local circuit switching capability and local tandem switching capability on an unbundled basis, except as set forth in the Sections below to FDN for the provision of a telecommunications service. BellSouth shall provide non-discriminatory access to packet switching capability on an unbundled basis to FDN for the provision of a telecommunications service only in the limited circumstance described below in Section 4.5.
- 4.2 **Local Circuit Switching Capability, including Tandem Switching Capability**
- 4.2.1 Local circuit switching capability is defined as: (A) line-side facilities, which include, but are not limited to, the connection between a loop termination at a main

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distribution frame and a switch line card; (B) trunk-side facilities, which include, but are not limited to, the connection between trunk termination at a trunk-side cross-connect panel and a switch trunk card; (C) switching provided by remote switching modules; and (D) all features, functions, and capabilities of the switch, which include, but are not limited to: (1) the basic switching function of connecting lines to lines, line to trunks, trunks to lines, and trunks to trunks, as well as the same basic capabilities made available to BellSouth's customers, such as a telephone number, white page listings, and dial tone; and (2) all other features that the switch is capable of providing, including but not limited to customer calling, customer local area signaling service features, and Centrex, as well as any technically feasible customized routing functions provided by the switch. Any features that are not currently available but are technically feasible through the switch can be requested through the BFR/NBR process.

- 4.2.2 Notwithstanding BellSouth's general duty to unbundle local circuit switching, BellSouth shall not be required to unbundle local circuit switching for FDN when FDN serves an end-user with four (4) or more voice-grade (DS-0) equivalents or lines served by BellSouth in one of the following MSAs: Atlanta, GA; Miami, FL; Orlando, FL; Ft. Lauderdale, FL; Charlotte-Gastonia-Rock Hill, NC; Greensboro-Winston Salem-High Point, NC; Nashville, TN; and New Orleans, LA, and BellSouth has provided non-discriminatory cost based access to the Enhanced Extended Link (EEL) throughout Density Zone 1 as determined by NECA Tariff No. 4 as in effect on January 1, 1999.
- 4.2.3 In the event that FDN orders local circuit switching for an end user with four (4) or more DS0 equivalent lines within Density Zone 1 in an MSA listed above, BellSouth shall charge FDN the market based rates in Exhibit B for use of the local circuit switching functionality for the affected facilities. If a market rate is not set forth in Exhibit B, such rate shall be negotiated by the Parties.
- 4.2.4 Unbundled Local Switching consists of three separate unbundled elements: Unbundled Ports, End Office Switching Functionality, and End Office Interoffice Trunk Ports.
- 4.2.5 Unbundled Local Switching combined with Common Transport and, if necessary, Tandem Switching provides to FDN's end user local calling and the ability to presubscribe to a primary carrier for intraLATA and/or to presubscribe to a primary carrier for interLATA toll service.
- 4.2.6 Provided that FDN purchases unbundled local switching from BellSouth and uses the BellSouth CIC for its end users' LPIC or if a BellSouth local end user selects BellSouth as its LPIC, then the Parties will consider as local any calls originated by an FDN local end user, or originated by a BellSouth local end user and terminated to an FDN local end user, where such calls originate and terminate in the same LATA, except for those calls originated and terminated through switched access arrangements (i.e., calls that are transported by a party other than BellSouth). For

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such calls, BellSouth will charge FDN the UNE elements for the BellSouth facilities utilized. Neither Party shall bill the other originating or terminating switched access charges for such calls. Intercarrier compensation for local calls between BellSouth and FDN shall be as described in BellSouth's UNE Local Call Flows set forth on BellSouth's web site.

4.2.7 Where FDN purchases unbundled local switching from BellSouth but does not use the BellSouth CIC for its end users' LPIC, BellSouth will consider as local those direct dialed telephone calls that originate from an FDN end user and terminate within the basic local calling area or within the extended local calling areas and that are dialed using 7 or 10 digits as defined and specified in Section A3 of BellSouth's General Subscriber Services Tariffs. For such local calls, BellSouth will charge FDN the UNE elements for the BellSouth facilities utilized. Intercarrier compensation for local calls between BellSouth and FDN shall be as described in BellSouth's UNE Local Call Flows set forth on BellSouth's web site.

4.2.8 For any calls that originate and terminate through switched access arrangements (i.e., calls that are transported by a party other than BellSouth), BellSouth shall bill FDN the UNE elements for the BellSouth facilities utilized. Each Party may bill the toll provider originating or terminating switched access charges, as appropriate.

4.2.9 **Unbundled Port Features**

4.2.9.1 Charges for Unbundled Port are as set forth in Exhibit B, and as specified in such exhibit, may or may not include individual features.

4.2.9.2 Where applicable and available, non-switch-based services may be ordered with the Unbundled Port at BellSouth's retail rates.

4.2.9.3 Any features that are not currently available but are technically feasible through the switch can be requested through the BFR/NBR process.

4.2.9.4 BellSouth will provide to FDN selective routing of calls to a requested Operator System platform pursuant to Section 10 of Attachment 3, the current Local Interconnection terms of this Agreement. Any other routing requests by FDN will be made pursuant to the BFR/NBR Process as set forth in Attachment 12 the current Agreement.

4.2.10 **Remote Call Forwarding**

4.2.10.1 As an option, BellSouth shall make available to FDN an unbundled port with Remote Call Forwarding capability ("URCF service"). URCF service combines the functionality of unbundled local switching, tandem switching and common transport to forward calls from the URCF service telephone number (the number dialed by the calling party) to another telephone number selected by the URCF

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service subscriber. When ordering URCF service, FDN will ensure that the following conditions are satisfied:

- 4.2.10.1.1 That the end user of the forward-to number (service) agrees to receive calls forwarded using the URCF service (if such end user is different from the URCF service end user);
- 4.2.10.1.2 That the forward-to number (service) is equipped with sufficient capacity to receive the volume of calls that will be generated from the URCF service;
- 4.2.10.1.3 That the URCF service will not be utilized to forward calls to another URCF or similar service; and
- 4.2.10.1.4 That the forward-to number (service) is not a public safety number (e.g. 911, fire or police number).
- 4.2.10.2 In addition to the charge for the URCF service port, BellSouth shall charge FDN the rates set forth in Exhibit B for unbundled local switching, tandem switching, and common transport, including all associated usage, incurred for calls from the URCF service telephone number (the number dialed by the calling party) to the forward- to number (service).
- 4.2.11 **Provision for Local Switching**
 - 4.2.11.1 BellSouth shall perform routine testing (e.g., Mechanized Loop Tests (MLT) and test calls such as 105, 107 and 108 type calls) and fault isolation on a mutually agreed upon schedule.
 - 4.2.11.2 BellSouth shall control congestion points such as those caused by radio station call-ins, and network routing abnormalities. All traffic shall be restricted in a non-discriminatory manner.
 - 4.2.11.3 BellSouth shall perform manual call trace and permit customer originated call trace. BellSouth shall provide Switching Service Point (SSP) capabilities and signaling software to interconnect the signaling links destined to the Signaling Transfer Point Switch (STPS). These capabilities shall adhere to the technical specifications set forth in the applicable industry standard technical references.
 - 4.2.11.4 BellSouth shall provide interfaces to adjuncts through Telcordia standard interfaces. These adjuncts can include, but are not limited to, the Service Circuit Node and Automatic Call Distributors. BellSouth shall offer to FDN all AIN triggers in connection with its SMS/SCE offering.
 - 4.2.11.5 BellSouth shall provide access to SS7 Signaling Network or Multi-Frequency trunking if requested by FDN.
- 4.2.12 **Local Switching Interfaces.**

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- 4.2.12.1 FDN shall order ports and associated interfaces compatible with the services it wishes to provide, as listed in Exhibit B. BellSouth shall provide the following local switching interfaces:
 - 4.2.12.1.1 Standard Tip/Ring interface including loopstart or groundstart, on-hook signaling (e.g., for calling number, calling name and message waiting lamp);
 - 4.2.12.1.2 Coin phone signaling;
 - 4.2.12.1.3 Basic Rate Interface ISDN adhering to appropriate Telcordia Technical Requirements;
 - 4.2.12.1.4 Two-wire analog interface to PBX;
 - 4.2.12.1.5 Four-wire analog interface to PBX;
 - 4.2.12.1.6 Four-wire DS1 interface to PBX or customer provided equipment (e.g. computers and voice response systems);
 - 4.2.12.1.7 Primary Rate ISDN to PBX adhering to ANSI standards Q.931, Q.932 and appropriate Telcordia Technical Requirements;
 - 4.2.12.1.8 Switched Fractional DS1 with capabilities to configure Nx64 channels (where N = 1 to 24); and
 - 4.2.12.1.9 Loops adhering to Telcordia TR-NWT-08 and TR-NWT-303 specifications to interconnect Digital Loop Carriers.

4.3 **Tandem Switching**

- 4.3.1 The Tandem Switching capability Network Element is defined as: (i) trunk-connect facilities, which include, but are not limited to, the connection between trunk termination at a cross connect panel and switch trunk card; (ii) the basic switch trunk function of connecting trunks to trunks; and (iii) the functions that are centralized in the Tandem Switches (as distinguished from separate end office switches), including but not limited to call recording, the routing of calls to operator services and signaling conversion features.

4.3.2 **Technical Requirements**

- 4.3.2.1 Tandem Switching shall have the same capabilities or equivalent capabilities as those described in Telcordia TR-TSY-000540 Issue 2R2, Tandem Supplement, 6/1/90. The requirements for Tandem Switching include, but are not limited to the following:
 - 4.3.2.1.1 Tandem Switching shall provide signaling to establish a tandem connection;

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- 4.3.2.1.2 Tandem Switching will provide screening as jointly agreed to by FDN and BellSouth;
- 4.3.2.1.3 Tandem Switching shall provide Advanced Intelligent Network triggers supporting AIN features where such routing is not available from the originating end office switch, to the extent such Tandem switch has such capability;
- 4.3.2.1.4 Tandem Switching shall provide access to Toll Free number database;
- 4.3.2.1.5 Tandem Switching shall provide connectivity to PSAPs where 911 solutions are deployed and the tandem is used for 911; and
- 4.3.2.1.6 Where appropriate, Tandem Switching shall provide connectivity for the purpose of routing transit traffic to and from other carriers.
- 4.3.2.2 BellSouth may perform testing and fault isolation on the underlying switch that is providing Tandem Switching. Such testing shall be testing routinely performed by BellSouth. The results and reports of the testing shall be made available to FDN.
- 4.3.2.3 BellSouth shall control congestion points and network abnormalities. All traffic will be restricted in a non-discriminatory manner.
- 4.3.2.4 Tandem Switching shall process originating toll-free traffic received from FDN's local switch.
- 4.3.2.5 In support of AIN triggers and features, Tandem Switching shall provide SSP capabilities when these capabilities are not available from the Local Switching Network Element, to the extent such Tandem Switch has such capability.
- 4.3.3 Upon FDN's purchase of overflow trunk groups, Tandem Switching shall provide an alternate routing pattern for FDN's traffic overflowing from direct end office high usage trunk groups.
- 4.4 **AIN Selective Carrier Routing for Operator Services, Directory Assistance and Repair Centers**
 - 4.4.1 BellSouth will provide AIN Selective Carrier Routing at the request of FDN. AIN Selective Carrier Routing will provide FDN with the capability of routing operator calls, 0+ and 0- and 0+ NPA (LNPA) 555-1212 directory assistance, 1+411 directory assistance and 611 repair center calls to pre-selected destinations.
 - 4.4.2 FDN shall order AIN Selective Carrier Routing through its Account Team and/or Local Contract Manager. AIN Selective Carrier Routing must first be established regionally and then on a per central office, per state basis.
 - 4.4.3 AIN Selective Carrier Routing is not available in DMS 10 switches.

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- 4.4.4 Where AIN Selective Carrier Routing is utilized by FDN, the routing of FDN's end user calls shall be pursuant to information provided by FDN and stored in BellSouth's AIN Selective Carrier Routing Service Control Point database. AIN Selective Carrier Routing shall utilize a set of Line Class Codes (LCCs) unique to a basic class of service assigned on an 'as needed' basis. The same LCCs will be assigned in each central office where AIN Selective Carrier Routing is established.
- 4.4.5 Upon ordering of AIN Selective Carrier Routing Regional Service, FDN shall remit to BellSouth the Regional Service Order non-recurring charges set forth in Exhibit B of this Attachment. There shall be a non-recurring End Office Establishment Charge per office due at the addition of each central office where AIN Selective Carrier Routing will be utilized. Said non-recurring charge shall be as set forth in Exhibit B of this Attachment. For each FDN end user activated, there shall be a non-recurring End User Establishment charge as set forth in Exhibit B of this Attachment. FDN shall pay the AIN Selective Carrier Routing Per Query Charge set forth in Exhibit B of this Attachment.
- 4.4.6 This Regional Service Order non-recurring charge will be non-refundable and will be paid with 1/2 due up-front with the submission of all fully completed required forms, including: Regional Selective Carrier Routing (SCR) Order Request-Form A, Central Office AIN Selective Carrier Routing (SCR) Order Request - Form B, AIN_SCR Central Office Identification Form - Form C, AIN_SCR Routing Options Selection Form - Form D, and Routing Combinations Table - Form E. BellSouth has 30 days to respond to FDN's fully completed firm order as a Regional Service Order. With the delivery of this firm order response to FDN, BellSouth considers that the delivery schedule of this service commences. The remaining 1/2 of the Regional Service Order payment must be paid when at least 90% of the Central Offices listed on the original order have been turned up for the service.
- 4.4.7 The non-recurring End Office Establishment Charge will be billed to FDN following BellSouth's normal monthly billing cycle for this type of order.
- 4.4.8 End-User Establishment Orders will not be turned-up until the second payment is received for the Regional Service Order. The non-recurring End-User Establishment Charges will be billed to FDN following BellSouth's normal monthly billing cycle for this type of order.
- 4.4.9 Additionally, the AIN Selective Carrier Routing Per Query Charge will be billed to FDN following the normal billing cycle for per query charges.
- 4.4.10 All other network components needed, for example, unbundled switching and unbundled local transport, etc, will be billed per contracted rates.

4.5 **Packet Switching Capability**

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- 4.5.1 The packet switching capability network element is defined as the function of routing or forwarding packets, frames, cells or other data units based on address or other routing information contained in the packets, frames, cells or other data units.
- 4.5.2 BellSouth shall be required to provide non-discriminatory access to unbundled packet switching capability only where each of the following conditions are satisfied:
- 4.5.2.1 BellSouth has deployed digital loop carrier systems, including but not limited to, integrated digital loop carrier or universal digital loop carrier systems; or has deployed any other system in which fiber optic facilities replace copper facilities in the feeder section (e.g., end office to remote terminal, pedestal or environmentally controlled vault);
- 4.5.2.2 There are no spare copper loops capable of supporting the xDSL services FDN seeks to offer;
- 4.5.2.3 BellSouth has not permitted FDN to deploy a DSLAM at the remote terminal, pedestal or environmentally controlled vault or other interconnection point, nor has FDN obtained a virtual collocation arrangement at these sub-loop interconnection points as defined by 47 CFR § 51.319 (b); and
- 4.5.2.4 BellSouth has deployed packet switching capability for its own use.
- 4.5.3 If there is a dispute as to whether BellSouth must provide Packet Switching, such dispute will be resolved according to the dispute resolution process set forth in Section 12 of the General Terms and Conditions of this Agreement, incorporated herein by this reference.

5 Unbundled Network Element Combinations

- 5.1 For purposes of this Section, references to "Currently Combined" network elements shall mean that the particular network elements requested by FDN are in fact already combined by BellSouth in the BellSouth network. References to "Ordinarily Combined" network elements shall mean that the particular network elements requested by FDN are not already combined by BellSouth in the location requested by FDN but are elements that are typically combined in BellSouth's network. References to "Not Typically Combined" network elements shall mean that the particular network elements requested by FDN are not elements that BellSouth combines for its use in its network.

5.2 Enhanced Extended Links (EELs)

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- 5.2.1 EELs are combinations of unbundled loops and unbundled dedicated transport as defined in Section 6. BellSouth shall provide FDN with EELs where they are available.
- 5.2.2 BellSouth will provide access to EELs in the combinations set forth in Section 5.4.1 below.
- 5.2.3 EELs are intended to provide service connectivity from an end user's location through that end user's SWC to FDN's collocation space in a BellSouth central office. The circuit must be connected to the FDN's switch for the purpose of provisioning circuit telephone exchange service to the FDN's end-user customers. FDN may connect EELs within the FDN's collocation space to other transport terminating into FDN's switch. FDN may also connect the local loops listed in Section 5.3.1.3 to an appropriate Unbundled Local Channel to form additional EELs which terminate in FDN's switch. Provided that the entire EEL circuit meets the criteria set forth in Section 5.3.1.3 below, the circuit may, upon FDN's request, terminate to a CLEC's Point of Presence ("POP"). FDN will provide a significant amount of local exchange service over the requested combination, as described in Section 5.3.1 et seq. below. Upon BellSouth's request, FDN shall indicate under what local usage option FDN seeks to qualify. FDN shall be deemed to providing a significant amount of local exchange service over the requested combination if one of the options listed in Section 5.3.1 et seq. is met. BellSouth shall have the right to audit FDN's EELs as specified in Section 5.3.3 below.

5.3 Conversions from Special Access Service to EELs

- 5.3.1 FDN may not convert existing special access services to combinations of loop and transport network elements, whether or not FDN self-provides its entrance facilities (or obtains entrance facilities from a third party), unless FDN uses the combination to provide a significant amount of local exchange service, in addition to exchange access service, to a particular customer. To the extent FDN requests to convert any special access services to combinations of loop and transport network elements at UNE prices, FDN shall provide to BellSouth a certification that FDN is providing a significant amount of local exchange service (as described in this Section) over such combinations. The certification shall also indicate under what local usage option FDN seeks to qualify for conversion of special access circuits. FDN shall be deemed to be providing a significant amount of local exchange service over such combinations if one of the following options is met:
- 5.3.1.1 **Option 1.** FDN certifies that it is the exclusive provider of an end user's local exchange service. The loop-transport combinations must terminate at FDN's collocation arrangement in at least one BellSouth central office. This option does not allow loop-transport combinations to be connected to BellSouth's tariffed

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services. FDN can then use the loop-transport combinations that serve the end user to carry any type of traffic, including using them to carry 100 percent interstate access traffic; or

- 5.3.1.2 **Option 2:** FDN certifies that it provides local exchange and exchange access service to the end user customer's premises and handles at least one third of the end user customer's local traffic measured as a percent of total end user customer local dial tone lines; and for DS1 circuits and above, at least 50 percent of the activated channels on the loop portion of the loop-transport combination have at least 5 percent local voice traffic individually, and the entire loop facility has at least 10 percent local voice traffic. When a loop-transport combination includes multiplexing, each of the individual DS1 circuits must meet this criterion. The loop-transport combination must terminate at FDN's collocation arrangement in at least one BellSouth central office. This option does not allow loop-transport combinations to be connected to BellSouth tariffed services; or
- 5.3.1.3 **Option 3:** FDN certifies that at least 50 percent of the activated channels on a circuit are used to provide originating and terminating local dial tone service and at least 50 percent of the traffic on each of these local dial tone channels is local voice traffic, and that the entire loop facility has at least 33 percent local voice traffic. When a loop-transport combination includes multiplexing, each of the individual DS1 circuits must meet this criterion. This option does not allow loop-transport combinations to be connected to BellSouth's tariffed services. Under this option, collocation is not required. FDN does not need to provide a defined portion of the end user's local service, but the active channels on any loop-transport combination, and the entire facility, must carry the amount of local exchange traffic specified in this option.
- 5.3.2 If, pursuant to Paragraph 23 of the Supplemental Order Clarification, the FCC grants FDN a waiver of the local usage options set forth in the FCC's rulings, then upon either Parties' request the Parties shall amend this Agreement to the extent necessary to incorporate the terms of such waiver.
- 5.3.3 BellSouth may, at its sole discretion, audit FDN's records in order to verify compliance with the local usage option provided by FDN pursuant to Section 5.3.1. The audit shall be conducted by a third party independent auditor, shall take place during normal business hours and at a mutually agreeable time. FDN shall be given thirty days written notice of scheduled audit. Such audit shall occur no more than one time in a calendar year unless results of an audit find noncompliance with the significant amount of local exchange service requirement. In the event of noncompliance, FDN shall reimburse BellSouth for the cost of the audit. If, based

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on the audit, FDN is not providing a significant amount of local exchange traffic over the combinations of loop and transport network elements, BellSouth will convert such combinations of loop and transport network elements to special access services in accordance with BellSouth's tariffs and will bill FDN for appropriate retroactive reimbursement. If the Parties disagree as to whether the audits indicate that FDN is not providing a significant amount of local exchange traffic, the dispute will be resolved according to the dispute resolution process set forth in Section 10 of the General Terms and Conditions of this Agreement incorporated herein by this reference.

- 5.3.4 In the event FDN converts special access circuits to combinations of loop and transport UNEs pursuant to the terms of this Section, FDN shall be subject to the termination liability provisions in the applicable special access tariffs, if any.
- 5.4 Rates
 - 5.4.1 Currently Combined EELs listed below in Sections 5.4.1.1-5.4.1.14 shall be billed at the nonrecurring switch-as-is charge and recurring charges for that combination as set forth in Exhibit B of this Attachment. Currently Combined EELs not listed below shall be billed at the sum of the nonrecurring and recurring charges for the individual network elements that comprise the combination as set forth in Exhibit B of this Attachment.
 - 5.4.1.1 DS1 Interoffice Channel + DS1 Channelization + 2-wire VG Local Loop
 - 5.4.1.2 DS1 Interoffice Channel + DS1 Channelization + 4-wire VG Local Loop
 - 5.4.1.3 DS1 Interoffice Channel + DS1 Channelization + 2-wire ISDN Local Loop
 - 5.4.1.4 DS1 Interoffice Channel + DS1 Channelization + 4-wire 56 kbps Local Loop
 - 5.4.1.5 DS1 Interoffice Channel + DS1 Channelization + 4-wire 64 kbps Local Loop
 - 5.4.1.6 DS1 Interoffice Channel + DS1 Local Loop
 - 5.4.1.7 DS3 Interoffice Channel + DS3 Local Loop

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- 5.4.1.8 STS-1 Interoffice Channel + STS-1 Local Loop
- 5.4.1.9 DS3 Interoffice Channel + DS3 Channelization + DS1 Local Loop
- 5.4.1.10 STS-1 Interoffice Channel + DS3 Channelization + DS1 Local Loop
- 5.4.1.11 2-wire VG Interoffice Channel + 2-wire VG Local Loop
- 5.4.1.12 4wire VG Interoffice Channel + 4-wire VG Local Loop
- 5.4.1.13 4-wire 56 kbps Interoffice Channel + 4-wire 56 kbps Local Loop
- 5.4.1.14 4-wire 64 kbps Interoffice Channel + 4-wire 64 kbps Local Loop
- 5.4.2 Ordinarily Combined EELs listed above shall be billed the sum of the nonrecurring and recurring charges for that combination as set forth in Exhibit B of this Attachment. Ordinarily combined EELs not listed in Sections 5.4.1.1-5.4.1.14 shall be billed the sum of the nonrecurring charges and recurring charges for the individual network elements that comprise the combination as set forth in Exhibit B of this Attachment.
- 5.4.3 To the extent that FDN requests an EEL combination Not Typically Combined in the BellSouth network, the rates, terms and conditions shall be determined pursuant to the Bona Fide Request Process.
- 5.5 UNE Port/Loop Combinations**
 - 5.5.1 Combinations of port and loop unbundled network elements along with switching and transport unbundled network elements provide local exchange service for the origination or termination of calls. Port/ loop combinations support the same local calling and feature requirements as described in the Unbundled Local Switching or Port section of ~~this Attachment 3~~ the current local interconnection terms of this Agreement and the ability to presubscribe to a primary carrier for intraLATA toll service and/or to presubscribe to a primary carrier for interLATA toll service.
 - 5.5.2 BellSouth shall make available UNE port/loop combinations, regardless of whether such combinations are Currently Combined, as long as such combinations are Ordinarily Combined in BellSouth's network.

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- 5.5.3 Except as set forth in Section 5.5.4 below, BellSouth shall provide UNE port/loop combinations described in Section 5.5.6 below that are Currently Combined or Ordinarily Combined in BellSouth's network at the cost-based rates in Exhibit B. Except as set forth in Section 5.5.4 below, BellSouth shall provide UNE port/loop combinations not described in Section 5.5.6 below or Not Typically Combined Combinations in accordance with the Bona Fide Request process.
- 5.5.4 BellSouth is not required to provide combinations of port and loop network elements on an unbundled basis in locations where, pursuant to FCC rules, BellSouth is not required to provide circuit switching as an unbundled network element.
- 5.5.4.1 BellSouth shall not be required to provide local circuit switching as an unbundled network element in density Zone 1, as defined in 47 CFR 69.123 as of January 1, 1999 of the Atlanta, GA; Miami, FL; Orlando, FL; Ft. Lauderdale, FL; Charlotte-Gastonia-Rock Hill, NC; Greensboro-Winston Salem-High Point, NC; Nashville, TN; and New Orleans, LA, MSAs to FDN if FDN's customer has 4 or more DS0 equivalent lines.
- 5.5.4.2 Notwithstanding the foregoing, BellSouth shall provide combinations of port and loop network elements on an unbundled basis where, pursuant to FCC rules, BellSouth is not required to provide local circuit switching as an unbundled network element and shall do so at the market rates in Exhibit B. If a market rate is not set forth in Exhibit B for a UNE port/loop combination, such rate shall be negotiated by the Parties.
- 5.5.5 BellSouth shall make 911 updates in the BellSouth 911 database for FDN's UNE port/loop combinations. BellSouth will not bill FDN for 911 surcharges. FDN is responsible for paying all 911 surcharges to the applicable governmental agency.
- 5.5.6 Combination Offerings
- 5.5.6.1 2-wire voice grade port, voice grade loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.
- 5.5.6.2 2-wire voice grade Coin port, voice grade loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.
- 5.5.6.3 2-wire voice grade DID port, voice grade loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.
- 5.5.6.4 2-wire CENTREX port, voice grade loop, CENTREX intercom functionality, unbundled end office switching, unbundled end office trunk port, common

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transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.

- 5.5.6.5 2-wire ISDN Basic Rate Interface, voice grade loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.
- 5.5.6.6 4-wire ISDN Primary Rate Interface, DS1 loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.
- 5.5.6.7 4-wire DS1 Trunk port, DS1 Loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.
- 5.5.6.8 4-wire DS1 Loop with normal serving wire center channelization interface, 2-wire voice grade ports (PBX), 2-wire DID ports, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.

5.6 **Other UNE Combinations**

- 5.6.1 BellSouth shall provide other Currently Combined and Ordinarily Combined and Not Typically Combined UNE Combinations to FDN in addition to those specifically referenced in this Section 5 above, where available. Such combinations shall not be connected to BellSouth tariffed services. To the extent FDN requests a combination for which BellSouth does not have methods and procedures in place to provide such combination, rates and/or methods and procedures for such combination will be developed pursuant to the BFR/NBR process.

5.6.2 **Rates**

- 5.6.3 The rates for Ordinarily Combined UNE Combinations shall be the sum of the recurring rates and nonrecurring rates for the stand-alone network elements as set forth in Exhibit B of this Attachment. The rates for Currently Combined UNE Combinations shall be the sum of the recurring rates for the stand-alone network elements as set forth in Exhibit B, in addition to a nonrecurring charge set forth in Exhibit B. To the extent FDN requests a Not Typically Combined Combination, or to the extent FDN requests any combination for which BellSouth has not developed methods and procedures to provide such combination, rates and/or methods and procedures for such combination shall be established pursuant to the BFR/NBR process.

6 **Transport, Channelization and Dark Fiber**

6.1 **Transport**

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- 6.1.1 BellSouth shall provide nondiscriminatory access, in accordance with FCC Rule 51.311 and Section 251(c)(3) of the Act, to interoffice transmission facilities on an unbundled basis to FDN for the provision of a telecommunications service. Interoffice transmission facility network elements include:
 - 6.1.1.1 Dedicated transport, defined as BellSouth's transmission facilities, is dedicated to a particular customer or carrier that provides telecommunications between wire centers or switches owned by BellSouth, or between wire centers and switches owned by BellSouth and FDN.
 - 6.1.1.2 Dark Fiber transport, defined as BellSouth's optical transmission facilities without attached signal regeneration, multiplexing, aggregation or other electronics;
 - 6.1.1.3 Common (Shared) transport, defined as transmission facilities shared by more than one carrier, including BellSouth, between end office switches, between end office switches and tandem switches, and between tandem switches, in BellSouth's network. Where BellSouth Network Elements are connected by intraoffice wiring, such wiring is provided as part of the Network Element and is not Common (Shared) Transport.
- 6.1.2 BellSouth shall:
 - 6.1.2.1 Provide FDN exclusive use of interoffice transmission facilities dedicated to a particular customer or carrier, or shared use of the features, functions, and capabilities of interoffice transmission facilities shared by more than one customer or carrier;
 - 6.1.2.2 Provide all technically feasible transmission facilities, features, functions, and capabilities of the transport facility for the provision of telecommunications services;
 - 6.1.2.3 Permit, to the extent technically feasible, FDN to connect such interoffice facilities to equipment designated by FDN, including but not limited to, FDN's collocated facilities; and
 - 6.1.2.4 Permit, to the extent technically feasible, FDN to obtain the functionality provided by BellSouth's digital cross-connect systems.
- 6.1.3 Technical Requirements of Common (Shared) Transport
 - 6.1.3.1 Common (Shared) Transport provided on DS1 or VT1.5 circuits, shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for Central Office to Central Office ("CO to CO") connections in the applicable industry standards.

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- 6.1.3.2 Common (Shared) Transport provided on DS3 circuits, STS-1 circuits, and higher transmission bit rate circuits, shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for CO to CO connections in the applicable industry standards.
- 6.1.3.3 BellSouth shall be responsible for the engineering, provisioning, and maintenance of the underlying equipment and facilities that are used to provide Common (Shared) Transport.
- 6.1.3.4 At a minimum, Common (Shared) Transport shall meet all of the requirements set forth in the applicable industry standards.

6.2 **Dedicated Transport**

- 6.2.1 Dedicated Transport is composed of the following Unbundled Network Elements:

- 6.2.1.1 Unbundled Local Channel, defined as the dedicated transmission path between FDN's Point of Presence ("POP") and FDN's collocation space in the BellSouth Serving Wire Center for FDN's POP, and

- 6.2.1.2 Unbundled Interoffice Channel, defined as the dedicated transmission path that provides telecommunication between BellSouth's Serving Wire Centers' collocations.

- 6.2.1.3 BellSouth shall offer Dedicated Transport in each of the following ways:

- 6.2.1.3.1 As capacity on a shared UNE facility.

- 6.2.1.3.2 As a circuit (e.g., DS0, DS1, DS3) dedicated to FDN.

- 6.2.1.4 Dedicated Transport may be provided over facilities such as optical fiber, copper twisted pair, and coaxial cable, and shall include transmission equipment such as, line terminating equipment, amplifiers, and regenerators.

- 6.2.2 Technical Requirements

- 6.2.2.1 The entire designated transmission service (e.g., DS0, DS1, DS3) shall be dedicated to FDN designated traffic.

- 6.2.2.2 For DS1 or VT1.5 circuits, Dedicated Transport shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for Customer Interface to Central Office ("CI to CO") connections in the applicable industry standards.

- 6.2.2.3 For DS3 circuits, Dedicated Transport shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for CI to CO connections in the applicable industry standards.

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- 6.2.2.4 BellSouth shall offer the following interface transmission rates for Dedicated Transport:
- 6.2.2.4.1 DS0 Equivalent;
- 6.2.2.4.2 DS1;
- 6.2.2.4.3 DS3;
- 6.2.2.4.4 OC-3;
- 6.2.2.4.5 OC-12;
- 6.2.2.4.6 OC-48: and
- 6.2.2.4.7 SDH (Synchronous Digital Hierarchy) Standard interface rates in accordance with International Telecommunications Union (ITU) Recommendation G.707 and Plesiochronous Digital Hierarchy (PDH) rates per ITU Recommendation G.704.
- 6.2.2.5 BellSouth shall design Dedicated Transport according to its network infrastructure. FDN shall specify the termination points for Dedicated Transport.
- 6.2.2.6 At a minimum, Dedicated Transport shall meet each of the requirements set forth in the applicable industry technical references.
- 6.2.2.7 BellSouth Technical References:
- 6.2.2.7.1 TR-TSY-000191 Alarm Indication Signals Requirements and Objectives, Issue 1, May 1986.
- 6.2.2.7.2 TR 73501 LightGate[®] Service Interface and Performance Specifications, Issue D, June 1995.
- 6.2.2.7.3 TR 73525 MegaLink[®] Service, MegaLink Channel Service and MegaLink Plus Service Interface and Performance Specifications, Issue C, May 1996.
- 6.3 **Unbundled Channelization (Multiplexing)**
- 6.3.1 Unbundled Channelization (UC) provides the multiplexing capability that will allow a DS1 (1.544 Mbps) or DS3 (44.736 Mbps) or STS-1 (51.84 Mbps) Unbundled Network Element (UNE) or collocation cross-connect to be multiplexed or channelized at a BellSouth central office. Channelization will be offered with both the high and low speed sides to be connected to collocation. Channelization can be accomplished through the use of a stand-alone multiplexer or a digital cross-connect system at the discretion of BellSouth. Once UC has been installed, FDN may request channel activation on an as-needed basis and BellSouth shall connect the requested facilities via Central Office Channel Interfaces

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(COCIs). The COCI must be compatible with the lower capacity facility and ordered with the lower capacity facility.

- 6.3.2 BellSouth shall make available the following channelization systems and COCIs:
 - 6.3.2.1 DS3/STS-1 Channelization System: channelizes a DS3 signal into 28 DS1s.
 - 6.3.2.2 DS1 COCI, which can be activated on a DS3 Channelization System.
 - 6.3.2.3 DS1 Channelization System: channelizes a DS1 signal into 24 DS0s.
 - 6.3.2.4 Voice Grade, Digital Data and ISDN can be activated on a DS1 Channelization System through the use of a COCI.
 - 6.3.2.5 Data COCI, which can be activated on a DS1 Channelization System.
 - 6.3.2.6 AMI and B8ZS line coding with either Super Frame (SF) and Extended Super Frame (ESF) framing formats will be supported as an optional feature on DS1 facilities.
- 6.3.3 Technical Requirements
 - 6.3.3.1 In order to assure proper operation with BellSouth provided central office multiplexing functionality, FDN's channelization equipment must adhere strictly to form and protocol standards. FDN must also adhere to such applicable industry standards for the multiplex channel bank, for voice frequency encoding, for various signaling schemes, and for sub rate digital access.
 - 6.3.3.2 DS0 to DS1 Channelization
 - 6.3.3.2.1 The DS1 signal must be framed utilizing the framing structure defined in ANSI T1.107, Digital Hierarchy Formats Specifications and ANSI T1.403.02, DS1 Robbed-bit Signaling State Definitions.
 - 6.3.3.3 DS1 to DS3 Channelization
 - 6.3.3.3.1 The DS3 signal must be framed utilizing the framing structure define in ANSI T1.107, Digital Hierarchy Formats Specifications. The asynchronous M13 multiplex format (combination of M12 and M23 formats) is specified for terminal equipment that multiplexes 28 DS1s into a DS3.
 - 6.3.3.4 DS1 to STS Channelization
 - 6.3.3.4.1 The STS-1 signal must be framed utilizing the framing structure define in ANSI T1.105, Synchronous Optical Network (SONET) – Basic Description Including Multiplex Structure, Rates and Formats and T1.105.02, Synchronous Optical Network (SONET) – Payload Mappings.

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6.4 **Dark Fiber Transport**

- 6.4.1 Dark Fiber Transport is an unused optical transmission facility without attached signal regeneration, multiplexing, aggregation or other electronics. Dark Fiber Transport is offered in two configurations: Interoffice Channel, between FDN's collocation arrangement within the POP serving wire center and the end user service wire center and Local Channel, from FDN's POP to FDN's collocation arrangement in the POP serving wire center. It may be strands of optical fiber existing in aerial or underground structure. BellSouth will not provide line terminating elements, regeneration or other electronics necessary for FDN to utilize Dark Fiber Transport.
- 6.4.2 Requirements
- 6.4.2.1 BellSouth shall make available Dark Fiber Transport where it exists in BellSouth's network and where, as a result of future building or deployment, it becomes available. Dark Fiber Transport will not be deemed available if (1) it is used by BellSouth for maintenance and repair purposes (2) it is designated for use pursuant to a firm order placed by another customer, (3) it is restricted for use by all carriers, including BellSouth, because of transmission problems or because it is scheduled for removal due to documented changes to roads and infrastructure, or (4) BellSouth has specific, documented plans to use the fiber within a two-year planning period BellSouth is not required to place fibers for Dark Fiber Transport if there are none available.
- 6.4.2.2 FDN is solely responsible for testing the quality of the Dark Fiber Transport to determine whether its usability and performance specifications meet FDN's service requirements.
- 6.4.2.3 BellSouth shall use its best efforts to provide to FDN information regarding the location, availability and performance of Dark Fiber Transport, within ten (10) business days after receiving a request from FDN. Within such time period, BellSouth shall send written confirmation of availability of the Dark Fiber Transport. At the request of FDN through contact with the Customer Wholesale Interconnection Network Service (CWINS), if made prior to providing access to the facilities, BellSouth will attempt to estimate the transmission loss of the channel at FDN's intended transmission wavelength: provided, however, that BellSouth does not warrant that FDN's channel will operate at that estimated loss or that the transmission loss will remain constant during the period in which FDN obtains the facilities from BellSouth. Within the above 10-day time period, BellSouth shall send written confirmation of availability of the Dark Fiber ("Confirmation"). From the time of the request to forty-five (45) days after Confirmation, BellSouth shall hold such requested Dark Fiber for FDN's use and may not allow any other party to use such media, including BellSouth while any needed collocation augmentation is under construction.

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- 6.4.2.4 If the requested Dark Fiber Transport is available, BellSouth shall use its commercially reasonable efforts to provision the Dark Fiber Transport to FDN within twenty (20) business days after FDN submits a valid, error free LSR. Provisioning includes identification of appropriate connection points (e.g., Light Guide Interconnection (LGX)) to enable FDN to connect FDN provided transmission media (e.g., optical fiber) or equipment to the Dark Fiber Transport.

7 BellSouth Switched Access ("SWA") 8XX Toll Free Dialing Ten Digit Screening Service

- 7.1 The BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening Service database ("8XX SCP Database") is a Signaling control Point ("SCP") that contains customer record information and the functionality to provide call-handling instructions for 8XX calls. The 8XX SCP IN software stores data downloaded from the national SMS/8XX database and provides the routing instructions in response to queries from the Switching Service Point ("SSP") or tandem. The BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening Service ("8XX TFD Service") utilizes the 8XX SCP Database to provide identification and routing of the 8XX calls, based on the ten digits dialed. At FDN's option, 8XX TFD Service is provided with or without POTS number delivery, dialing number delivery, and other optional complex features as selected by FDN.
- 7.2 The 8XX SCP Database is designated to receive and respond to queries using the ANSI Specification of Signaling System Seven (SS7) protocol.

8 Line Information Database (LIDB)

- 8.1 The Line Information Database (LIDB) is a transaction-oriented database accessible through Common Channel Signaling (CCS) networks. For access to LIDB, FDN must purchase appropriate signaling links pursuant to Section 9 of this Attachment. LIDB contains records associated with end user Line Numbers and Special Billing Numbers. LIDB accepts queries from other Network Elements and provides appropriate responses. The query originator need not be the owner of LIDB data. LIDB queries include functions such as screening billed numbers that provides the ability to accept Collect or Third Number Billing calls and validation of Telephone Line Number based non-proprietary calling cards. The interface for the LIDB functionality is the interface between BellSouth's CCS network and other CCS networks. LIDB also interfaces to administrative systems.
- 8.2 Technical Requirements
- 8.2.1 BellSouth will offer to FDN any additional capabilities that are developed for LIDB during the life of this Agreement.

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- 8.2.2 BellSouth shall process FDN's Customer records in LIDB at least at parity with BellSouth customer records, with respect to other LIDB functions. BellSouth shall indicate to FDN what additional functions (if any) are performed by LIDB in the BellSouth network.
- 8.2.3 Within two (2) weeks after a request by FDN, BellSouth shall provide FDN with a list of the customer data items, which FDN would have to provide in order to support each required LIDB function. The list shall indicate which data items are essential to LIDB function, and which are required only to support certain services. For each data item, the list shall show the data formats, the acceptable values of the data item and the meaning of those values.
- 8.2.4 BellSouth shall provide LIDB systems for which operating deficiencies that would result in calls being blocked shall not exceed 30 minutes per year.
- 8.2.5 BellSouth shall provide LIDB systems for which operating deficiencies that would not result in calls being blocked shall not exceed 12 hours per year.
- 8.2.6 BellSouth shall provide LIDB systems for which the LIDB function shall be in overload no more than 12 hours per year.
- 8.2.7 All additions, updates and deletions of FDN data to the LIDB shall be solely at the direction of FDN. Such direction from FDN will not be required where the addition, update or deletion is necessary to perform standard fraud control measures (e.g., calling card auto-deactivation).
- 8.2.8 BellSouth shall provide priority updates to LIDB for FDN data upon FDN's request (e.g., to support fraud detection), via password-protected telephone card, facsimile, or electronic mail within one hour of notice from the established BellSouth contact.
- 8.2.9 BellSouth shall provide LIDB systems such that no more than 0.01% of FDN customer records will be missing from LIDB, as measured by FDN audits. BellSouth will audit FDN records in LIDB against DBAS to identify record mismatches and provide this data to a designated FDN contact person to resolve the status of the records and BellSouth will update system appropriately. BellSouth will refer record of mis-matches to FDN within one business day of audit. Once reconciled records are received back from FDN, BellSouth will update LIDB the same business day if less than 500 records are received before 1:00PM Central Time. If more than 500 records are received, BellSouth will contact FDN to negotiate a time frame for the updates, not to exceed three business days.
- 8.2.10 BellSouth shall perform backup and recovery of all of FDN's data in LIDB including sending to LIDB all changes made since the date of the most recent backup copy, in at least the same time frame BellSouth performs backup and

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recovery of BellSouth data in LIDB for itself. Currently, BellSouth performs backups of the LIDB for itself on a weekly basis and when a new software release is scheduled, a backup is performed prior to loading the new release.

- 8.2.11 BellSouth shall provide FDN with LIDB reports of data, which are missing or contain errors, as well as any misrouted errors, within a reasonable time period as negotiated between FDN and BellSouth.
- 8.2.12 BellSouth shall prevent any access to or use of FDN data in LIDB by BellSouth personnel that are outside of established administrative and fraud control personnel, or by any other Party that is not authorized by FDN in writing.
- 8.2.13 BellSouth shall provide FDN performance of the LIDB Data Screening function, which allows a LIDB to completely or partially deny specific query originators access to LIDB data owned by specific data owners, for Customer Data that is part of an NPA-NXX or RAO-0/1XX wholly or partially owned by FDN at least at parity with BellSouth Customer Data. BellSouth shall obtain from FDN the screening information associated with LIDB Data Screening of FDN data in accordance with this requirement. BellSouth currently does not have LIDB Data Screening capabilities. When such capability is available, BellSouth shall offer it to FDN under the BFR/NBR process as set forth in Attachment 12, the current Agreement.
- 8.2.14 BellSouth shall accept queries to LIDB associated with FDN customer records, and shall return responses in accordance with industry standards.
- 8.2.15 BellSouth shall provide mean processing time at the LIDB within 0.50 seconds under normal conditions as defined in industry standards.
- 8.2.16 BellSouth shall provide processing time at the LIDB within 1 second for 99% of all messages under normal conditions as defined in industry standards.
- 8.3 Interface Requirements
 - 8.3.1 BellSouth shall offer LIDB in accordance with the requirements of this subsection.
 - 8.3.2 The interface to LIDB shall be in accordance with the technical references contained within.
 - 8.3.3 The CCS interface to LIDB shall be the standard interface described herein.
 - 8.3.4 The LIDB Data Base interpretation of the ANSI-TCAP messages shall comply with the technical reference herein. Global Title Translation shall be maintained in the signaling network in order to support signaling network routing to the LIDB.
 - 8.3.5 The application of the LIDB rates contained in Exhibit B to this Attachment will be based on a Percent CLEC LIDB Usage ("PCLU") factor. FDN shall provide

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BellSouth a PCLU. The PCLU will be applied to determine the percentage of total LIDB usage to be billed to the other Party at local rates. FDN shall update its PCLU on the first of January, April, July and October and shall send it to BellSouth to be received no later than thirty (30) calendar days after the first of each such month based on local usage for the past three months ending the last day of December, March, June and September, respectively. Requirements associated with PCLU calculation and reporting shall be as set forth in BellSouth's Jurisdictional Factors Reporting Guide, as it is amended from time to time.

9 Signaling

9.1 BellSouth shall offer nondiscriminatory access to signaling and access to BellSouth's signaling systems and databases subject to compatibility testing and at the rates set forth in this Attachment. BellSouth may provide mediated access to BellSouth signaling systems and databases. Available signaling elements include signaling links, signal transfer points and service control points. Signaling functionality will be available with both A-link and B-link connectivity.

9.2 Signaling Link Transport

9.2.1 Signaling Link Transport is a set of two or four dedicated 56 kbps transmission paths between FDN-designated Signaling Points of Interconnection that provide appropriate physical diversity.

9.2.2 Technical Requirements

9.2.3 Signaling Link Transport shall consist of full duplex mode 56 kbps transmission paths and shall perform in the following two ways:

9.2.3.1 As an "A-link" Signaling Link Transport is a connection between a switch or SCP and a home Signaling Transfer Point switch pair; and

9.2.3.2 As a "B-link" Signaling Link Transport is a connection between two Signaling Transfer Point switch pairs in different company networks (e.g., between two Signaling Transfer Point switch pairs for two CLECs).

9.2.4 Signaling Link Transport shall consist of two or more signaling link layers as follows:

9.2.4.1 An A-link layer shall consist of two links.

9.2.4.2 A B-link layer shall consist of four links.

9.2.4.3 A signaling link layer shall satisfy interoffice and intraoffice diversity of facilities and equipment, such that:

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- 9.2.4.4 No single failure of facilities or equipment causes the failure of both links in an A-link layer (i.e., the links should be provided on a minimum of two separate physical paths end-to-end); and
- 9.2.4.5 No two concurrent failures of facilities or equipment shall cause the failure of all four links in a B-link layer (i.e., the links should be provided on a minimum of three separate physical paths end-to-end).
- 9.2.5 Interface Requirements
 - 9.2.5.1 There shall be a DS1 (1.544 Mbps) interface at FDN's designated SPOIs. Each 56 kbps transmission path shall appear as a DS0 channel within the DS1 interface.
- 9.3 **Signaling Transfer Points (STPs)**
 - 9.3.1 A Signaling Transfer Point is a signaling network function that includes all of the capabilities provided by the signaling transfer point switches (STPs) and their associated signaling links that enables the exchange of SS7 messages among and between switching elements, database elements and signaling transfer point switches.
 - 9.3.2 Technical Requirements
 - 9.3.2.1 Signaling Transfer Point s shall provide access to BellSouth Local Switching or Tandem Switching and to BellSouth Service Control Points/Databases connected to BellSouth SS7 network. Signaling Transfer Point also provide access to third-party local or tandem switching and Third-party-provided Signaling Transfer Points.
 - 9.3.2.2 The connectivity provided by Signaling Transfer Points shall fully support the functions of all other Network Elements connected to the BellSouth SS7 network. This includes the use of the BellSouth SS7 network to convey messages that neither originate nor terminate at a signaling end point directly connected to the BellSouth SS7 network (i.e., transit messages). When the BellSouth SS7 network is used to convey transit messages, there shall be no alteration of the Integrated Services Digital Network User Part or Transaction Capabilities Application Part (TCAP) user data that constitutes the content of the message.
 - 9.3.2.3 If a BellSouth tandem switch routes traffic, based on dialed or translated digits, on SS7 trunks between a FDN local switch and third party local switch, the BellSouth SS7 network shall convey the TCAP messages that are necessary to provide Call Management features (Automatic Callback, Automatic Recall, and Screening List Editing) between FDN local STPs and the STPs that provide connectivity with the third party local switch, even if the third party local switch is not directly connected to BellSouth STPs.

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9.3.2.4 STPs shall provide all functions of the SCCP necessary for Class 0 (basic connectionless) service, as defined in Telcordia ANSI Interconnection Requirements. This includes Global Title Translation (GTT) and SCCP Management procedures, as specified in ANSI T1.112.4. Where the destination signaling point is a FDN or third party local or tandem switching system directly connected to BellSouth SS7 network, BellSouth shall perform final GTT of messages to the destination and SCCP Subsystem Management of the destination. In all other cases, BellSouth shall perform intermediate GTT of messages to a gateway pair of STPs in an SS7 network connected with BellSouth SS7 network, and shall not perform SCCP Subsystem Management of the destination. If BellSouth performs final GTT to a FDN database, then FDN agrees to provide BellSouth with the Destination Point Code for FDN database.

9.3.2.5 STPs shall provide all functions of the OMAP as specified in applicable industry standard technical references, which may include, where available in BellSouth's network, MTP Routing Verification Test (MRVT); and SCCP Routing Verification Test (SRVT).

9.3.2.6 Where the destination signaling point is a BellSouth local or tandem switching system or database, or is a FDN or third party local or tandem switching system directly connected to the BellSouth SS7 network, STPs shall perform MRVT and SRVT to the destination signaling point. In all other cases, STPs shall perform MRVT and SRVT to a gateway pair of STPs in an SS7 network connected with the BellSouth SS7 network. This requirement may be superseded by the specifications for Internetwork MRVT and SRVT when these become approved ANSI standards and available capabilities of BellSouth STPs.

9.4 **SS7 Advanced Intelligent Network (AIN) Access**

9.4.1 When technically feasible and upon request by FDN, SS7 AIN Access shall be made available in association with switching. SS7 AIN Access is the provisioning of AIN 0.1 triggers in an equipped BellSouth local switch and interconnection of the BellSouth SS7 network with FDN's SS7 network to exchange TCAP queries and responses with a FDN SCP.

9.4.2 SS7 AIN Access shall provide FDN SCP access to an equipped BellSouth local switch via interconnection of BellSouth's SS7 and FDN SS7 Networks. BellSouth shall offer SS7 AIN Access through its STPs. If BellSouth requires a mediation device on any part of its network specific to this form of access, BellSouth must route its messages in the same manner. The interconnection arrangement shall result in the BellSouth local switch recognizing the FDN SCP as at least at parity with BellSouth's SCPs in terms of interfaces, performance and capabilities.

9.4.3 **Interface Requirements**

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- 9.4.3.1 BellSouth shall provide the following STP options to connect FDN or FDN-designated local switching systems to the BellSouth SS7 network:
- 9.4.3.1.1 An A-link interface from FDN local switching systems; and,
- 9.4.3.1.2 A B-link interface from FDN local STPs.
- 9.4.3.2 Each type of interface shall be provided by one or more layers of signaling links.
- 9.4.3.3 The Signaling Point of Interconnection for each link shall be located at a cross-connect element in the Central Office (CO) where the BellSouth STP is located. There shall be a DS1 or higher rate transport interface at each of the SPOIs. Each signaling link shall appear as a DS0 channel within the DS1 or higher rate interface.
- 9.4.3.4 BellSouth shall provide intraoffice diversity between the Signaling Point of Interconnection and BellSouth STPs, so that no single failure of intraoffice facilities or equipment shall cause the failure of both B-links in a layer connecting to a BellSouth STP.
- 9.4.3.5 STPs shall provide all functions of the MTP as defined in the applicable industry standard technical references.
- 9.4.4 Message Screening
- 9.4.4.1 BellSouth shall set message screening parameters so as to accept valid messages from FDN local or tandem switching systems destined to any signaling point within BellSouth's SS7 network where the FDN switching system has a valid signaling relationship.
- 9.4.4.2 BellSouth shall set message screening parameters so as to pass valid messages from FDN local or tandem switching systems destined to any signaling point or network accessed through BellSouth's SS7 network where the FDN switching system has a valid signaling relationship.
- 9.4.4.3 BellSouth shall set message screening parameters so as to accept and pass/send valid messages destined to and from FDN from any signaling point or network interconnected through BellSouth's SS7 network where the FDN SCP has a valid signaling relationship.
- 9.5 **Service Control Points/Databases**
- 9.5.1 Call Related Databases provide the storage of, access to, and manipulation of information required to offer a particular service and/or capability. BellSouth shall provide access to the following Databases: Local Number Portability, LIDB, Toll Free Number Database, Automatic Location Identification/Data Management System, and Calling Name Database. BellSouth also provides access to Service

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Creation Environment and Service Management System (SCE/SMS) application databases and Directory Assistance.

- 9.5.2 A Service Control Point (SCP) is deployed in a SS7 network that executes service application logic in response to SS7 queries sent to it by a switching system also connected to the SS7 network. Service Management Systems provide operational interfaces to allow for provisioning, administration and maintenance of subscriber data and service application data stored in SCPs.
- 9.5.3 Technical Requirements for SCPs/Databases
 - 9.5.3.1 BellSouth shall provide physical access to SCPs through the SS7 network and protocols with TCAP as the application layer protocol.
 - 9.5.3.2 BellSouth shall provide physical interconnection to databases via industry standard interfaces and protocols (e.g. SS7, ISDN and X.25).
 - 9.5.3.3 The reliability of interconnection options shall be consistent with requirements for diversity and survivability.
- 9.6 **Local Number Portability Database**
 - 9.6.1 The Permanent Number Portability (PNP) database supplies routing numbers for calls involving numbers that have been ported from one local service provider to another. BellSouth agrees to provide access to the PNP database at rates, terms and conditions as set forth by BellSouth and in accordance with an effective FCC or Commission directive.
- 9.7 **SS7 Network Interconnection**
 - 9.7.1 SS7 Network Interconnection is the interconnection of FDN local signaling transfer point switches or FDN local or tandem switching systems with BellSouth signaling transfer point switches. This interconnection provides connectivity that enables the exchange of SS7 messages among BellSouth switching systems and databases, FDN local or tandem switching systems, and other third-party switching systems directly connected to the BellSouth SS7 network.
 - 9.7.2 The connectivity provided by SS7 Network Interconnection shall fully support the functions of BellSouth switching systems and databases and FDN or other third-party switching systems with A-link access to the BellSouth SS7 network.
 - 9.7.3 If traffic is routed based on dialed or translated digits between a FDN local switching system and a BellSouth or other third-party local switching system, either directly or via a BellSouth tandem switching system, then it is a requirement that the BellSouth SS7 network convey via SS7 Network Interconnection the TCAP messages that are necessary to provide Call Management services

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(Automatic Callback, Automatic Recall, and Screening List Editing) between the FDN local signaling transfer point switches and BellSouth or other third-party local switch.

- 9.7.4 SS7 Network Interconnection shall provide:
 - 9.7.4.1 Signaling Data Link functions, as specified in ANSI T1.111.2;
 - 9.7.4.2 Signaling Link functions, as specified in ANSI T1.111.3; and
 - 9.7.4.3 Signaling Network Management functions, as specified in ANSI T1.111.4.
- 9.7.5 SS7 Network Interconnection shall provide all functions of the SCCP necessary for Class 0 (basic connectionless) service, as specified in ANSI T1.112. This includes Global Title Translation (GTT) and SCCP Management procedures, as specified in ANSI T1.112.4. Where the destination signaling point is a BellSouth switching system or DB, or is another third-party local or tandem switching system directly connected to the BellSouth SS7 network, SS7 Network Interconnection shall include final GTT of messages to the destination and SCCP Subsystem Management of the destination. Where the destination signaling point is a FDN local or tandem switching system, SS7 Network Interconnection shall include intermediate GTT of messages to a gateway pair of FDN local STPs, and shall not include SCCP Subsystem Management of the destination.
- 9.7.6 SS7 Network Interconnection shall provide all functions of the Integrated Services Digital Network User Part, as specified in ANSI T1.113.
- 9.7.7 SS7 Network Interconnection shall provide all functions of the TCAP, as specified in ANSI T1.114.
- 9.7.8 If Internetwork MRVT and SRVT become approved ANSI standards and available capabilities of BellSouth STPs, SS7 Network Interconnection may provide these functions of the OMAP.
- 9.7.9 Interface Requirements
 - 9.7.9.1 The following SS7 Network Interconnection interface options are available to connect FDN or FDN-designated local or tandem switching systems or signaling transfer point switches to the BellSouth SS7 network:
 - 9.7.9.1.1 A-link interface from FDN local or tandem switching systems; and
 - 9.7.9.1.2 B-link interface from FDN STPs.
 - 9.7.9.2 The Signaling Point of Interconnection for each link shall be located at a cross-connect element in the central office where the BellSouth STP is located. There shall be a DS1 or higher rate transport interface at each of the Signaling Points of

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interconnection. Each signaling link shall appear as a DS0 channel within the DS1 or higher rate interface.

- 9.7.9.3 BellSouth shall provide intraoffice diversity between the Signaling Points of Interconnection and the BellSouth STP, so that no single failure of intraoffice facilities or equipment shall cause the failure of both B-links in a layer connecting to a BellSouth STP.
- 9.7.9.4 The protocol interface requirements for SS7 Network Interconnection include the MTP, ISDNUP, SCCP, and TCAP. These protocol interfaces shall conform to the applicable industry standard technical references.
- 9.7.9.5 BellSouth shall set message screening parameters to accept messages from FDN local or tandem switching systems destined to any signaling point in the BellSouth SS7 network with which the FDN switching system has a valid signaling relationship.

10 Operator Services (Operator Call Processing and Directory Assistance)

- 10.1 Operator Call Processing provides: (1) operator handling for call completion (for example, collect, third number billing, and manual calling-card calls), (2) operator or automated assistance for billing after the end user has dialed the called number (for example, calling card calls); and (3) special services including but not limited to Busy Line Verification and Emergency Line Interrupt (ELI), Emergency Agency Call, and Operator-assisted Directory Assistance.
- 10.2 Upon request for BellSouth Operator Call Processing, BellSouth shall:
 - 10.2.1 Process 0+ and 0- dialed local calls.
 - 10.2.2 Process 0+ and 0- intraLATA toll calls.
 - 10.2.3 Process calls that are billed to FDN end user's calling card that can be validated by BellSouth.
 - 10.2.4 Process person-to-person calls.
 - 10.2.5 Process collect calls.
 - 10.2.6 Provide the capability for callers to bill to a third party and shall also process such calls.
 - 10.2.7 Process station-to-station calls.
 - 10.2.8 Process Busy Line Verify and Emergency Line Interrupt requests.
 - 10.2.9 Process emergency call trace originated by Public Safety Answering Points.

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- 10.2.10 Process operator-assisted directory assistance calls.
- 10.2.11 Adhere to equal access requirements, providing FDN local end users the same IXC access as provided to BellSouth end users.
- 10.2.12 Exercise at least the same level of fraud control in providing Operator Service to FDN that BellSouth provides for its own operator service.
- 10.2.13 Perform Billed Number Screening when handling Collect, Person-to-Person, and Billed-to-Third-Party calls.
- 10.2.14 Direct customer account and other similar inquiries to the customer service center designated by FDN.
- 10.2.15 Provide call records to FDN in accordance with ODUF standards specified in Attachment 7 the current Agreement.
- 10.2.16 The interface requirements shall conform to the interface specifications for the platform used to provide Operator Services as long as the interface conforms to industry standards.
- 10.3 **Directory Assistance Service**
 - 10.3.1 Directory Assistance Service provides local and non-local end user telephone number listings with the option to complete the call at the caller's direction separate and distinct from local switching.
 - 10.3.2 Directory Assistance Service shall provide up to two listing requests per call. If available and if requested by FDN's end user, BellSouth shall provide caller-optional directory assistance call completion service at rates contained in this Attachment to one of the provided listings.
 - 10.3.3 **Directory Assistance Service Updates**
 - 10.3.3.1 BellSouth shall update end user listings changes daily. These changes include:
 - 10.3.3.1.1 New end user connections
 - 10.3.3.1.2 End user disconnections
 - 10.3.3.1.3 End user address changes
 - 10.3.3.2 These updates shall also be provided for non-listed and non-published numbers for use in emergencies.
- 10.4 **Branding for Operator Call Processing and Directory Assistance**

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- 10.4.1 BellSouth's branding feature provides a definable announcement to FDN end users using Directory Assistance (DA)/Operator Call Processing (OCP) prior to placing such end users in queue or connecting them to an available operator or automated operator system. This feature allows FDN to have its calls custom branded with FDN's name on whose behalf BellSouth is providing Directory Assistance and/or Operator Call Processing. Rates for the branding features are set forth in this Attachment.
- 10.4.2 BellSouth offers three branding offering options to FDN when ordering BellSouth's Directory Assistance and Operator Call Processing: BellSouth Branding, Unbranding and Custom Branding.
- 10.4.3 Upon receipt of the custom branding order from FDN, the order is considered firm after ten business days. Should FDN decide to cancel the order, written notification to FDN's BellSouth Account Executive is required. If FDN decides to cancel after ten business days from receipt of the custom branding order, FDN shall pay all charges per the order.
- 10.4.4 **Selective Call Routing Using Line Class Codes (SCR-LCC)**
- 10.4.4.1 Where FDN purchases unbundled local switching from BellSouth and utilizes an Operator Services Provider other than BellSouth, BellSouth will route FDN's end user calls to that provider through Selective Call Routing.
- 10.4.4.2 Selective Call Routing using Line Class Codes (SCR-LCC) provides the capability for FDN to have its OCP/DA calls routed to BellSouth's OCP/DA platform for BellSouth provided Custom Branded or Unbranded OCP/DA or to its own or an alternate OCP/DA platform for Self-Branded OCP/DA. SCR-LCC is only available if line class code capacity is available in the requested BellSouth end office switches.
- 10.4.4.3 Custom Branding for Directory Assistance is not available for certain classes of service, including but not limited to Hotel/Motel services, WATS service, and certain PBX services.
- 10.4.4.4 Where available, FDN specific and unique line class codes are programmed in each BellSouth end office switch where FDN intends to serve end users with customized OCP/DA branding. The line class codes specifically identify FDN's end users so OCP/DA calls can be routed over the appropriate trunk group to the requested OCP/DA platform. Additional line class codes are required in each end office if the end office serves multiple NPAs (i.e., a unique LCC is required per NPA), and/or if the end office switch serves multiple rate areas and FDN intends to provide FDN -branded OCP/DA to its end users in these multiple rate areas.
- 10.4.4.5 BellSouth Branding is the default branding offering.

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- 10.4.4.6 SCR-LCC supporting Custom Branding and Self Branding require FDN to order dedicated trunking from each BellSouth end office identified by FDN, either to the BellSouth Traffic Operator Position System (TOPS) for Custom Branding or to the FDN Operator Service Provider for Self Branding. Separate trunk groups are required for Operator Services and for Directory Assistance. Rates for trunks are set forth in applicable BellSouth tariffs.
- 10.4.4.7 Unbranding - Unbranded Directory Assistance and/or Operator Call Processing calls ride common trunk groups provisioned by BellSouth from those end offices identified by FDN to the BellSouth TOPS. These calls are routed to "No Announcement."
- 10.4.4.8 The Rates for SCR-LCC are as set forth in this Attachment. There is a nonrecurring charge for the establishment of each Line Class Code in each BellSouth central office. Furthermore, for Unbranded and Custom Branded OCP/DA provided by BellSouth Operator Services with unbundled ports and unbundled port/loop switch combinations, monthly recurring usage charges shall apply for the UNEs necessary to provide the service, such as end office and tandem switching and common transport. A flat rated end office switching charge shall apply to Self-Branded OCP/DA when used in conjunction with unbundled ports and unbundled port/loop switch combinations
- 10.4.4.9 UNE Provider Branding via Originating Line Number Screening (OLNS)
- 10.4.4.10 BellSouth Branding, Unbranding and Custom Branding are also available for Directory Assistance, Operator Call Processing or both via Originating Line Number Screening (OLNS) software. When utilizing this method of Unbranding or Custom Branding, FDN shall not be required to purchase dedicated trunking.
- 10.4.4.11 For BellSouth to provide Unbranding or Custom Branding via OLNS software for Operator Call Processing or for Directory Assistance, FDN must have its Operating Company Number ("OCN(s)") and telephone numbers reside in BellSouth's LIDB; however, a BellSouth LIDB Storage Agreement is not required. To implement Unbranding and Custom Branding via OLNS software, FDN must submit a manual order form which requires, among other things, FDN's OCN and a forecast for the traffic volume anticipated for each BellSouth TOPS during the peak busy hour. FDN shall provide updates to such forecast on a quarterly basis and at any time such forecasted traffic volumes are expected to change significantly. Upon FDN's purchase of Unbranding or Custom Branding using OLNS software for any particular TOPS, all FDN end users served by that TOPS will receive the Unbranded "no announcement" or the Custom Branded announcement.
- 10.4.4.12 BellSouth Branding is the default branding offering.

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10.4.4.13 Rates for Unbranding and Custom Branding via OLNS software for Directory Assistance and for Operator Call Processing are as set forth in this Attachment. Notwithstanding anything to the contrary in this Agreement, to the extent BellSouth is unable to bill FDN applicable charges currently, BellSouth shall track such charges and will bill the same retroactively at such time as a billing process is implemented. In addition to the charges for Unbranding and Custom Branding via OLNS software, FDN shall continue to pay BellSouth applicable labor and other charges for the use of BellSouth's Directory Assistance and Operator Call Processing platforms as set forth in this Attachment. Further, where FDN is purchasing unbundled local switching from BellSouth, UNE usage charges for end office switching, tandem switching and transport, as applicable, shall continue to apply.

10.4.5 **Facilities Based Carrier Branding**

10.4.5.1 All Service Levels require FDN to order dedicated trunking from their end office(s) point of interface to the BellSouth TOPS Switches. Rates for trunks are set forth in applicable BellSouth tariffs.

10.4.5.2 Unbranding is the default branding offering.

10.4.5.3 Rates for Custom Branded OCP/DA are set forth in this Attachment.

10.4.5.4 Customized Branding includes charges for the recording of the branding announcement and the loading of the audio units in each TOPS Switch and Network Applications Vehicle (NAV) equipment for which FDN requires service.

10.4.5.5 Directory Assistance customized branding uses:

10.4.5.5.1 the recording of FDN;

10.4.5.5.2 the loading on the Digital Recorded Announcement Machine (DRAM) in each TOPS switch.

10.4.5.6 Operator Call Processing customized branding uses:

10.4.5.6.1 the recording of FDN;

10.4.5.6.2 the loading on the DRAM in the TOPS Switch (North Carolina);

10.4.5.6.3 the loading on the Network Applications Vehicle (NAV). All NAV shelves within the region where the customer is offering service must be loaded.

10.5 **Directory Assistance Database Service (DADS)**

10.5.1 BellSouth shall make its Directory Assistance Database Service (DADS) available at the rates set forth in this Attachment solely for the expressed purpose of

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providing Directory Assistance type services to FDN end users. The term "end user" denotes any entity that obtains Directory Assistance type services for its own use from a DADS customer. Directory Assistance type service is defined as Voice Directory Assistance (DA Operator assisted) and Electronic Directory Assistance (Data System assisted). FDN agrees that DADS will not be used for any purpose that violates federal or state laws, statutes, regulatory orders or tariffs. For the purposes of provisioning a Directory Assistance type service, all terms and conditions of GSST A38 apply and are incorporated by reference herein. Except for the permitted uses, FDN agrees not to disclose DADS to others and shall provide due care in providing for the security and confidentiality of DADS.

- 10.5.2 BellSouth shall initially provide FDN with a Base File of subscriber listings via magnetic tape. DADS is available and may be ordered on a Business, Residence or combined Business and Residence listings basis for each central office requested. BellSouth will require approximately 30- 45 days after receiving an order from FDN to prepare the Base File.
- 10.5.3 BellSouth will provide updates on either a daily or weekly basis reflecting all listing change activity occurring since FDN's previous update. Delivery of updates will commence immediately after FDN receives the Base File. Updates will be provided via magnetic tape unless BellSouth and FDN mutually develop CONNECT: Direct™ electronic connectivity. FDN will pay all costs associated with CONNECT: Direct™ connectivity, which will vary depending upon volume and mileage.
- 10.5.4 FDN authorizes the inclusion of FDN Directory Assistance listings in the BellSouth Directory Assistance products, including but not limited to DADS. Any other use is not authorized.
- 10.6 **Direct Access to Directory Assistance Service**
- 10.6.1 Direct Access to Directory Assistance Service (DADAS) will provide FDN's directory assistance operators with the ability to search, using a standard directory assistance search format, the same listing information that is available to BellSouth operators including all available BellSouth subscriber listings, all available listings associated with lines resold by competitive local exchange carriers, and all available listings associated with lines provisioned by local exchange carriers that provide their listings to BellSouth. DADAS will also provide FDN with the ability to search all listings BellSouth obtains from sources other than the provider of the local exchange lines associated with the listings. The search format will be provided to FDN by BellSouth upon subscription to the service. Subscription to DADAS requires that FDN utilize its own switch, operator workstations, directory assistance operators, transport facilities, and optional audio subsystems.
- 10.6.2 Rates, terms and conditions for provisioning DADAS are as set forth in the FCC tariff No. 1.

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11 Automatic Location Identification/Data Management System (ALI/DMS)

- 11.1 The ALI/DMS Database contains end user information (including name, address, telephone information, and sometimes special information from the local service provider or end user) used to determine to which Public Safety Answering Point ("PSAP") to route the call. The ALI/DMS database is used to provide enhanced routing flexibility for E911.
- 11.2 Technical Requirements
- 11.2.1 BellSouth shall provide FDN access to the ALI/DMS database. BellSouth shall provide error reports from the ALI/DMS database to FDN after FDN provides end user information for input into the ALI/DMS database.
- 11.2.2 When BellSouth is responsible for administering the ALI/DMS database in its entirety, ported number NXXs entries for the ported numbers should be maintained unless FDN requests otherwise and shall be updated if FDN requests, provided FDN supplies BellSouth with the updates.
- 11.2.3 When Remote Call Forwarding (RCF) is used to provide number portability to the local end user and a remark or other appropriate field information is available in the database, the shadow or "forwarded-to" number and an indication that the number is ported shall be added to the customer record.
- 11.2.4 If BellSouth is responsible for configuring PSAP features (for cases when the PSAP or BellSouth supports an ISDN interface) it shall ensure that CLASS Automatic Recall (Call Return) is not used to call back to the ported number. Although BellSouth currently does not have ISDN interface, BellSouth agrees to comply with this requirement once ISDN interfaces are in place.
- 11.3 Interface Requirements
- 11.3.1 The interface between the E911 Switch or Tandem and the ALI/DMS database for FDN end users shall meet industry standards.
- 12 Calling Name (CNAM) Database Service**
- 12.1 CNAM is the ability to associate a name with the calling party number, allowing the end user (to which a call is being terminated) to view the calling party's name before the call is answered. This service also provides FDN the opportunity to load and store its subscriber names in the BellSouth CNAM SCPs.
- 12.2 FDN shall submit to BellSouth a notice of its intent to access and utilize BellSouth CNAM Database Services. Said notice shall be in writing, no less than 60 days prior to FDN's access to BellSouth's CNAM Database Services and shall be addressed to FDN's Local Contract Manager.

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- 12.3 BellSouth's provision of CNAM Database Services to FDN requires interconnection from FDN to BellSouth CNAM Service Control Points (SCPs). Such interconnections shall be established pursuant to ~~Attachment 3~~ the current local interconnection terms of this Agreement, incorporated herein by this reference.
- 12.4 In order to formulate a CNAM query to be sent to the BellSouth CNAM SCP, FDN shall provide its own CNAM SSP. FDN's CNAM SSPs must be compliant with TR-NWT-001188, "CLASS Calling Name Delivery Generic Requirements".
- 12.5 If FDN elects to access the BellSouth CNAM SCP via a third party CCS7 transport provider, the third party CCS7 provider shall interconnect with the BellSouth CCS7 network according to BellSouth's Common Channel Signaling Interconnection Guidelines and Telcordia's CCS Network Interface Specification document, TR-TSV-000905. In addition, the third party provider shall establish CCS7 interconnection at the BellSouth Local Signal Transfer Points (LSTPs) serving the BellSouth CNAM SCPs that FDN desires to query.
- 12.6 If FDN queries the BellSouth CNAM SCP via a third party national SS7 transport provider, the third party SS7 provider shall interconnect with the BellSouth CCS7 network according to BellSouth's Common Channel Signaling Interconnection Guidelines and Telcordia's CCS Network Interface Specification document, TR-TSV-000905. In addition, the third party provider shall establish SS7 interconnection at one or more of the BellSouth Gateway Signal Transfer Points (STPs). The payment of all costs associated with the transport of SS7 signals via a third party will be established by mutual agreement of the Parties and this Agreement shall be amended in accordance with modification of the General Terms and Conditions incorporated herein by this reference.
- 12.7 The mechanism to be used by FDN for initial CNAM record load and/or updates shall be determined by mutual agreement. The initial load and all updates shall be provided by FDN in the BellSouth specified format and shall contain records for every working telephone number that can originate phone calls. It is the responsibility of FDN to provide accurate information to BellSouth on a current basis.
- 12.8 Updates to the SMS shall occur no less than once a week, reflect service order activity affecting either name or telephone number, and involve only record additions, deletions or changes.
- 12.9 FDN CNAM records provided for storage in the BellSouth CNAM SCP shall be available, on a SCP query basis only, to all Parties querying the BellSouth CNAM SCP. Further, CNAM service shall be provided by each Party consistent with state and/or federal regulation.

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13 Service Creation Environment and Service Management System (SCE/SMS) Advanced Intelligent Network (AIN) Access

- 13.1 BellSouth's Service Creation Environment and Service Management System (SCE/SMS) Advanced Intelligent Network (AIN) Access shall provide FDN the capability to create service applications in a BellSouth SCE and deploy those applications in a BellSouth SMS to a BellSouth SCP.
- 13.2 BellSouth's SCE/SMS AIN Access shall provide access to SCE hardware, software, testing and technical support (e.g., help desk, system administrator) resources available to FDN. Training, documentation, and technical support will address use of SCE and SMS access and administrative functions, but will not include support for the creation of a specific service application.
- 13.3 BellSouth SCP shall partition and protect FDN service logic and data from unauthorized access.
- 13.4 When FDN selects SCE/SMS AIN Access, BellSouth shall provide training, documentation, and technical support to enable FDN to use BellSouth's SCE/SMS AIN Access to create and administer applications.
- 13.5 FDN access will be provided via remote data connection (e.g., dial-in, ISDN).
- 13.6 BellSouth shall allow FDN to download data forms and/or tables to BellSouth SCP via BellSouth SMS without intervention from BellSouth.

14 Basic 911 and E911

- 14.1 Basic 911 and E911 provides a caller access to the applicable emergency service bureau by dialing 911.
- 14.2 Basic 911 Service Provisioning. BellSouth will provide to FDN a list consisting of each municipality that subscribes to Basic 911 service. The list will also provide, if known, the E911 conversion date for each municipality and, for network routing purposes, a ten-digit directory number representing the appropriate emergency answering position for each municipality subscribing to 911. FDN will be required to arrange to accept 911 calls from its end users in municipalities that subscribe to Basic 911 service and translate the 911 call to the appropriate 10-digit directory number as stated on the list provided by BellSouth. FDN will be required to route that call to BellSouth at the appropriate tandem or end office. When a municipality converts to E911 service, FDN will be required to begin using E911 procedures.
- 14.3 E911 Service Provisioning. FDN shall install a minimum of two dedicated trunks originating from the FDN serving wire center and terminating to the appropriate E911 tandem. The dedicated trunks shall be, at a minimum, DS-0 level trunks

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configured either as a 2-wire analog interface or as part of a digital (1.544 Mb/s) interface. Either configuration shall use CAMA-type signaling with multifrequency ("MF") pulsing that will deliver automatic number identification ("ANI") with the voice portion of the call. If the user interface is digital, MF pulses, as well as other AC signals, shall be encoded per the u-255 Law convention. FDN will be required to provide BellSouth daily updates to the E911 database. FDN will be required to forward 911 calls to the appropriate E911 tandem, along with ANI, based upon the current E911 end office to tandem homing arrangement as provided by BellSouth. If the E911 tandem trunks are not available, FDN will be required to route the call to a designated 7-digit local number residing in the appropriate Public Service Answering Point ("PSAP"). This call will be transported over BellSouth's interoffice network and will not carry the ANI of the calling party. FDN shall be responsible for providing BellSouth with complete and accurate data for submission to the 911/E911 database for the purpose of providing 911/E911 to its end users.

14.4 Rates. Charges for 911/E911 service are borne by the municipality purchasing the service. BellSouth will impose no charge on FDN beyond applicable charges for BellSouth trunking arrangements.

14.5 Basic 911 and E911 functions provided to FDN shall be at least at parity with the support and services that BellSouth provides to its end users for such similar functionality.

14.6 The detailed practices and procedures for 911/E911 services are contained in the E911 Local Exchange Carrier Guide For Facility-Based Providers as amended from time to time during the term of this Agreement.

15 Operational Support Systems (OSS)

15.1 BellSouth has developed and made available the following electronic interfaces by which FDN may submit LSRs electronically.

LENS	Local Exchange Navigation System
EDI	Electronic Data Interchange
TAG	Telecommunications Access Gateway

15.2 LSRs submitted by means of one of these electronic interfaces will incur an OSS electronic ordering charge. An individual LSR will be identified for billing purposes by its Purchase Order Number (PON). LSRs submitted by means other than one of these interactive interfaces (mail, fax, courier, etc.) will incur a manual order charge. All OSS charges are specified in Rate Exhibit B of this Attachment 3-the current local interconnection terms of this Agreement.

15.3 Denial/Restoral OSS Charge

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- 15.3.1 In the event FDN provides a list of customers to be denied and restored, rather than an LSR, each location on the list will require a separate PON and, therefore will be billed as one LSR per location.
- 15.4 Cancellation OSS Charge
 - 15.4.1 FDN will incur an OSS charge for an accepted LSR that is later canceled.
 - 15.4.2 Supplements or clarifications to a previously billed LSR will not incur another OSS charge.
 - 15.4.3 Network Elements and Other Services Manual Additive
 - 15.4.4 The Commissions in some states have ordered per-element manual additive non-recurring charges (NRC) for Network Elements and Other Services ordered by means other than one of the interactive interfaces. These ordered Network Elements and Other Services manual additive NRCs will apply in these states, rather than the charge per LSR. The per-element charges are listed on the Rate Tables in Exhibit B.

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EXHIBIT A

LINE INFORMATION DATA BASE (LIDB)
FACILITIES BASED STORAGE AGREEMENT

I. Definitions

- A. Billing number - a number that FDN creates for the purpose of identifying an account liable for charges. This number may be a line or a special billing number.
- B. Line number - a ten-digit number that identifies a telephone line administered by FDN.
- C. Special billing number - a ten-digit number that identifies a billing account established by FDN.
- D. Calling Card number - a billing number plus PIN number.
- E. PIN number - a four-digit security code assigned by FDN that is added to a billing number to compose a fourteen-digit calling card number.
- F. Toll billing exception indicator - associated with a billing number to indicate that it is considered invalid for billing of collect calls or third number calls or both, by FDN.
- G. Billed Number Screening - refers to the activity of determining whether a toll billing exception indicator is present for a particular billing number.
- H. Calling Card Validation - refers to the activity of determining whether a particular calling card number exists as stated or otherwise provided by a caller.
- I. Billing number information - information about billing number, Calling Card number and toll billing exception indicator provided to BellSouth by FDN.

II. General

- A. This Agreement sets forth the terms and conditions pursuant to which BellSouth agrees to store in its LIDB certain information at the request of FDN and pursuant to which BellSouth, its LIDB customers and FDN shall have access to such information. In addition, this Agreement sets forth the terms and conditions for FDN's provision of billing number information to BellSouth for inclusion in BellSouth's LIDB. FDN understands that BellSouth provides access to information in its LIDB to various telecommunications service providers pursuant to applicable tariffs and agrees that information stored at the request of FDN, pursuant to this Agreement, shall be available to those telecommunications service providers. The terms and conditions contained herein shall hereby be made a part of this Interconnection Agreement upon notice to FDN's account team and/or Local Contract Manager to activate this LIDB

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Storage Agreement. The General Terms and Conditions of the Interconnection/Resale Agreement shall govern this LIDB Storage Agreement.

- B. BellSouth will provide responses to on-line, call-by-call queries to billing number information for the following purposes:

1. Billed Number Screening

BellSouth is authorized to use the billing number information to determine whether FDN has identified the billing number as one that should not be billed for collect or third number calls.

2. Calling Card Validation

BellSouth is authorized to validate a 14-digit Calling Card number where the first 10 digits are a line number or special billing number assigned by BellSouth and where the last four digits (PIN) are a security code assigned by BellSouth.

3. Fraud Control

BellSouth will provide seven days per week, 24-hours per day, fraud monitoring on Calling Cards, bill-to-third and collect calls made to numbers in BellSouth's LIDB, provided that such information is included in the LIDB query. BellSouth will establish fraud alert thresholds and will notify FDN of fraud alerts so that FDN may take action it deems appropriate.

III. Responsibilities of the Parties

- A. BellSouth will administer all data stored in the LIDB, including the data provided by FDN pursuant to this Agreement, in the same manner as BellSouth's data for BellSouth's end user customers. BellSouth shall not be responsible to FDN for any lost revenue which may result from BellSouth's administration of the LIDB pursuant to its established practices and procedures as they exist and as they may be changed by BellSouth in its sole discretion from time to time.

B. Billing and Collection Customers

BellSouth currently has in effect numerous billing and collection agreements with various interexchange carriers and billing clearinghouses and as such these billing and collection customers ("B&C Customers") query BellSouth's LIDB to determine whether to accept various billing options from end users. Until such time as BellSouth implements in its LIDB and its supporting systems the means to differentiate FDN's data from BellSouth's data, the following terms and conditions shall apply:

Exhibit 1
Attachment 3
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1. FDN will accept responsibility for telecommunications services billed by BellSouth for its B&C Customers for FDN's End User accounts which are resident in LIDB pursuant to this Agreement. FDN authorizes BellSouth to place such charges on FDN's bill from BellSouth and shall pay all such charges including, but not limited to, collect and third number calls.
2. Charges for such services shall appear on a separate BellSouth bill page identified with the name of the B&C Customers for which BellSouth is billing the charge.
3. FDN shall have the responsibility to render a billing statement to its End Users for these charges, but FDN shall pay BellSouth for the charges billed regardless of whether FDN collects from FDN's End Users.
4. BellSouth shall have no obligation to become involved in any disputes between FDN and B&C Customers. BellSouth will not issue adjustments for charges billed on behalf of any B&C Customer to FDN. It shall be the responsibility of FDN and the B&C Customers to negotiate and arrange for any appropriate adjustments.

C. SPNP Arrangements

1. BellSouth will include billing number information associated with exchange lines or SPNP arrangements in its LIDB. FDN will request any toll billing exceptions via the Local Service Request (LSR) form used to order exchange lines, or the SPNP service request form used to order SPNP arrangements.
2. Under normal operating conditions, BellSouth shall include the billing number information in its LIDB upon completion of the service order establishing either the local exchange service or the SPNP arrangement, provided that BellSouth shall not be held responsible for any delay or failure in performance to the extent such delay or failure is caused by circumstances or conditions beyond BellSouth's reasonable control. BellSouth will store in its LIDB an unlimited volume of the working telephone numbers associated with either the local exchange lines or the SPNP arrangements. For local exchange lines or for SPNP arrangements, BellSouth will issue line-based calling cards only in the name of FDN. BellSouth will not issue line-based calling cards in the name of FDN's individual End Users. In the event that FDN wants to include calling card numbers assigned by FDN in the BellSouth LIDB, a separate agreement is required.

IV. Fees for Service and Taxes

- A. FDN will not be charged a fee for storage services provided by BellSouth to FDN, as described in this LIDB Facilities Based Storage Agreement.

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- B. Sales, use and all other taxes (excluding taxes on BellSouth's income) determined by BellSouth or any taxing authority to be due to any federal, state or local taxing jurisdiction with respect to the provision of the service set forth herein will be paid by FDN in accordance with the tax provisions set forth in the General Terms and Conditions of this Agreement.

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Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B			
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
The "Zone" shown in the sections for stand-alone loops or loops as part of a combination refers to Geographically Deaveraged UNE Zones. To view Georgraphically Deaveraged UNE Zone Designantions by C O, refer to Internet Website: http://www.interconnection.bellsouth.com/become_a_clec/html/interconnection.htm																
OPERATIONAL SUPPORT SYSTEMS																
NOTE: (1) Electronic Service Order: CLEC should contact its contract negotiator if it prefers the state specific electronic service ordering charges as ordered by the State Commissions. The electronic service ordering charge currently contained in this rate exhibit is the BellSouth regional electronic service ordering charge. CLEC may elect either the state specific Commission ordered rates for the electronic service ordering charges, or CLEC may elect the regional electronic service ordering charge.																
NOTE: (2) Any element that can be ordered electronically will be billed according to the SOMECE rate listed in this category. Please refer to BellSouth's Business Rules for Local Ordering (BBR-LO) to determine if a product can be ordered electronically. For those elements that cannot be ordered electronically at present per the BBR-LO, the listed SOMECE rate in this category reflects the charge that would be billed to a CLEC once electronic ordering capabilities come on-line for that element. Otherwise, the manual ordering charge, SOMAN, will be applied to a CLECs bill when it submits an LSR to BellSouth.																
	Manual Service Order Charge, per LSR, Disconnect Only (FL)				SOMAN					1.83						
	Electronic OSS Charge, per LSR, submitted via BST's OSS interactive interfaces (State Specific OSS Rate)				SOMECE		1.52		.20							
UNE SERVICE DATE ADVANCEMENT CHARGE																
NOTE: The Expedite charge will be maintained commensurate with BellSouth's FCC No.1 Tariff, Section 5 as applicable.																
	UNE Expedite Charge per Circuit or Line Assignable USOC, per Day			ALL UNE	SDASP		200.00									
UNBUNDLED EXCHANGE ACCESS LOOP																
2-WIRE ANALOG VOICE GRADE LOOP																
	2-Wire Analog Voice Grade Loop - Service Level 1- Zone 1		1	UEANL	UEAL2	10.69	49.57	22.83	25.62	6.57		11.90				
	2-Wire Analog Voice Grade Loop - Service Level 1- Zone 2		2	UEANL	UEAL2	15.20	49.57	22.83	25.62	6.57		11.90				
	2-Wire Analog Voice Grade Loop - Service Level 1- Zone 3		3	UEANL	UEAL2	26.97	49.57	22.83	25.62	6.57		11.90				
	Loop Testing - Basic 1st Half Hour			UEANL	URET1		48.65					11.90				
	Loop Testing - Basic Additional Half Hour			UEANL	URETA		23.95					11.90				
	CLEC to CLEC Conversion Charge Without Outside Dispatch (UVL-SL1)			UEANL	UREWO	15.78	8.94				11.90					
	Unbundled Voice Loop, Unbundled Non-Design Voice Loop, billing for BST providing make-up			UEANL	UEANM		13.49									
	Manual Order Coordination for UVL-SL1s (per loop)			UEANL	UEAMC		9.00									
	Order Coordination for Specified Conversion Time for UVL-SL1 (per LSR)			UEANL	OCOSL		23.02									
2-WIRE Unbundled COPPER LOOP																
	2-Wire Unbundled Copper Loop - Non-Designed Zone 1		1	UEQ	UEQ2X	7.69	44.98	20.90	19.65	5.09		11.90				
	2 Wire Unbundled Copper Loop - Non-Designed - Zone 2		2	UEQ	UEQ2X	10.92	44.98	20.90	19.65	5.09		11.90				
	2 Wire Unbundled Copper Loop - Non-Designed - Zone 3		3	UEQ	UEQ2X	19.38	44.98	20.90	19.65	5.09		11.90				
	Order Coordination 2 Wire Unbundled Copper Loop - Non-Designed (per loop)			UEQ	USBMC		9.00									
	Unbundled Copper Loop, Non-Designed Billing for BST providing make-up			UEQ	UEQMU		13.49				11.90					
	Loop Testing - Basic 1st Half Hour			UEQ	URET1		48.65				11.90					
	Loop Testing - Basic Additional Half Hour			UEQ	URETA		23.95				11.90					
	CLEC to CLEC Conversion Charge Without Outside Dispatch (UCL-ND)			UEQ	UREWO		14.27	7.43			11.90					
UNBUNDLED EXCHANGE ACCESS LOOP																
2-WIRE ANALOG VOICE GRADE LOOP																
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 1		1	UEPSR UEPSB	UEALS	10.69	49.57	22.83	25.62	6.57		11.90				
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 1		1	UEPSR UEPSB	UEABS	10.69	49.57	22.83	25.62	6.57		11.90				
	2 Wire Analog Voice Grade Loop- Service Level 1-Line Splitting-Zone 2		2	UEPSR UEPSB	UEALS	15.20	49.57	22.83	25.62	6.57		11.90				
	2 Wire Analog Voice Grade Loop- Service Level 1-Line Splitting-Zone 2		2	UEPSR UEPSB	UEABS	15.20	49.57	22.83	25.62	6.57		11.90				
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 3		3	UEPSR UEPSB	UEALS	26.97	49.57	22.83	25.62	6.57		11.90				
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 3		3	UEPSR UEPSB	UEABS	26.97	49.57	22.83	25.62	6.57		11.90				
UNE Loop Rates for Line Splitting																
	2-Wire Voice Grade Loop (SL1) for Line Splitting - Zone 1		1	UEPRX	UEPLX	12.94	0.102	0.102								
	2-Wire Voice Grade Loop (SL1) for Line Splitting - Zone 2		2	UEPRX	UEPLX	17.06	0.102	0.102								
	2-Wire Voice Grade Loop (SL1)for Line Splitting - Zone 3		3	UEPRX	UEPLX	31.87	0.102	0.102								

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B			
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect							OSS Rates(\$)
							First	Add'l	First	Add'l	SOMEK	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
UNBUNDLED EXCHANGE ACCESS LOOP																
	2-WIRE ANALOG VOICE GRADE LOOP															
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Loop or Ground Start Signaling - Zone 1		1	UEA	UEAL2	12.24	135.75	82.47	63.53	12.01		11.90				
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Loop or Ground Start Signaling - Zone 2		2	UEA	UEAL2	17.40	135.75	82.47	63.53	12.01		11.90				
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Loop or Ground Start Signaling - Zone 3		3	UEA	UEAL2	30.87	135.75	82.47	63.53	12.01		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UEA	OCOSL		23.02									
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Reverse Battery Signaling - Zone 1		1	UEA	UEAR2	12.24	135.75	82.47	63.53	12.01		11.90				
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Reverse Battery Signaling - Zone 2		2	UEA	UEAR2	17.40	135.75	82.47	63.53	12.01		11.90				
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Reverse Battery Signaling - Zone 3		3	UEA	UEAR2	30.87	135.75	82.47	63.53	12.01		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UEA	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			UEA	UREWO		87.71	36.35				11.90				
4-WIRE ANALOG VOICE GRADE LOOP																
	4-Wire Analog Voice Grade Loop - Zone 1		1	UEA	UEAL4	18.89	167.86	115.15	67.08	15.56		11.90				
	4-Wire Analog Voice Grade Loop - Zone 2		2	UEA	UEAL4	26.84	167.86	115.15	67.08	15.56		11.90				
	4-Wire Analog Voice Grade Loop - Zone 3		3	UEA	UEAL4	47.62	167.86	115.15	67.08	15.56		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UEA	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			UEA	UREWO		87.71	36.35				11.90				
2-WIRE ISDN DIGITAL GRADE LOOP																
	2-Wire ISDN Digital Grade Loop - Zone 1		1	UDN	U1L2X	19.28	147.69	94.41	62.23	10.71		11.90				
	2-Wire ISDN Digital Grade Loop - Zone 2		2	UDN	U1L2X	27.40	147.69	94.41	62.23	10.71		11.90				
	2-Wire ISDN Digital Grade Loop - Zone 3		3	UDN	U1L2X	48.62	147.69	94.41	62.23	10.71		11.90				
	Order Coordination For Specified Conversion Time (per LSR)			UDN	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			UDN	UREWO		91.61	44.15				11.90				
2-WIRE Universal Digital Channel (UDC) COMPATIBLE LOOP																
	2-Wire Universal Digital Channel (UDC) Compatible Loop - Zone 1		1	UDC	UDC2X	19.28	147.69	94.41	62.23	10.71		11.90				
	2-Wire Universal Digital Channel (UDC) Compatible Loop - Zone 2		2	UDC	UDC2X	27.40	147.69	94.41	62.23	10.71		11.90				
	2-Wire Universal Digital Channel (UDC) Compatible Loop - Zone 3		3	UDC	UDC2X	48.62	147.69	94.41	62.23	10.71		11.90				
	CLEC to CLEC Conversion Charge without outside dispatch			UDC	UREWO		91.61	44.15				11.90				
2-WIRE ASYMMETRICAL DIGITAL SUBSCRIBER LINE (ADSL) COMPATIBLE LOOP																
	2 Wire Unbundled ADSL Loop including manual service inquiry & facility reservation - Zone 1		1	UAL	UAL2X	8.30	149.53	103.85	75.05	15.63		11.90				
	2 Wire Unbundled ADSL Loop including manual service inquiry & facility reservation - Zone 2		2	UAL	UAL2X	11.80	149.53	103.85	75.05	15.63		11.90				
	2 Wire Unbundled ADSL Loop including manual service inquiry & facility reservation - Zone 3		3	UAL	UAL2X	20.94	149.53	103.85	75.05	15.63		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UAL	OCOSL		23.02									
	2 Wire Unbundled ADSL Loop without manual service inquiry & facility reservaton - Zone 1		1	UAL	UAL2W	8.30	124.83	71.12	60.64	9.12		11.90				
	2 Wire Unbundled ADSL Loop without manual service inquiry & facility reservaton - Zone 2		2	UAL	UAL2W	11.80	124.83	71.12	60.64	9.12		11.90				
	2 Wire Unbundled ADSL Loop without manual service inquiry & facility reservaton - Zone 3		3	UAL	UAL2W	20.94	124.83	71.12	60.64	9.12		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UAL	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			UAL	UREWO		86.19	40.39				11.90				
2-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP																
	2 Wire Unbundled HDLSL Loop including manual service inquiry & facility reservation - Zone 1		1	UHL	UHL2X	7.22	159.09	113.41	75.05	15.63		11.90				
	2 Wire Unbundled HDLSL Loop including manual service inquiry & facility reservation - Zone 2		2	UHL	UHL2X	10.26	159.09	113.41	75.05	15.63		11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect			OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMEc	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2 Wire Unbundled HDSL Loop including manual service inquiry & facility reservation - Zone 3		3	UHL	UHL2X	18.21	159.09	113.41	75.05	15.63		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UHL	OCOSL		23.02									
	2 Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 1		1	UHL	UHL2W	7.22	134.40	80.69	60.64	9.12		11.90				
	2 Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 2		2	UHL	UHL2W	10.26	134.40	80.69	60.64	9.12		11.90				
	2 Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 3		3	UHL	UHL2W	18.21	134.40	80.69	60.64	9.12		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UHL	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			UHL	UREWO		86.12	40.39				11.90				
	4-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP															
	4 Wire Unbundled HDSL Loop including manual service inquiry and facility reservation - Zone 1		1	UHL	UHL4X	10.86	193.31	138.98	77.15	12.61		11.90				
	4-Wire Unbundled HDSL Loop including manual service inquiry and facility reservation - Zone 2		2	UHL	UHL4X	15.44	193.31	138.98	77.15	12.61		11.90				
	4-Wire Unbundled HDSL Loop including manual service inquiry and facility reservation - Zone 3		3	UHL	UHL4X	27.39	193.31	138.98	77.15	12.61		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UHL	OCOSL		23.02									
	4-Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 1		1	UHL	UHL4W	10.86	168.62	115.47	62.74	11.22		11.90				
	4-Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 2		2	UHL	UHL4W	15.44	168.62	115.47	62.74	11.22		11.90				
	4-Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 3		3	UHL	UHL4W	27.39	168.62	115.47	62.74	11.22		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UHL	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			UHL	UREWO		86.12	40.39				11.90				
	4-WIRE DS1 DIGITAL LOOP															
	4-Wire DS1 Digital Loop - Zone 1		1	USL	USLXX	70.74	313.75	181.48	61.22	13.53		11.90				
	4-Wire DS1 Digital Loop - Zone 2		2	USL	USLXX	100.54	313.75	181.48	61.22	13.53		11.90				
	4-Wire DS1 Digital Loop - Zone 3		3	USL	USLXX	178.39	313.75	181.48	61.22	13.53		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			USL	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			USL	UREWO		101.07	43.04				11.90				
	4-WIRE 19.2, 56 OR 64 KBPS DIGITAL GRADE LOOP															
	4 Wire Unbundled Digital 19.2 Kbps		1	UDL	UDL19	22.20	161.56	108.85	67.08	15.56		11.90				
	4 Wire Unbundled Digital 19.2 Kbps		2	UDL	UDL19	31.56	161.56	108.85	67.08	15.56		11.90				
	4 Wire Unbundled Digital 19.2 Kbps		3	UDL	UDL19	55.99	161.56	108.85	67.08	15.56		11.90				
	4 Wire Unbundled Digital Loop 56 Kbps - Zone 1		1	UDL	UDL56	22.20	161.56	108.85	67.08	15.56		11.90				
	4 Wire Unbundled Digital Loop 56 Kbps - Zone 2		2	UDL	UDL56	31.56	161.56	108.85	67.08	15.56		11.90				
	4 Wire Unbundled Digital Loop 56 Kbps - Zone 3		3	UDL	UDL56	55.99	161.56	108.85	67.08	15.56		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UDL	OCOSL		23.02									
	4 Wire Unbundled Digital Loop 64 Kbps - Zone 1		1	UDL	UDL64	22.20	161.56	108.85	67.08	15.56		11.90				
	4 Wire Unbundled Digital Loop 64 Kbps - Zone 2		2	UDL	UDL64	31.56	161.56	108.85	67.08	15.56		11.90				
	4 Wire Unbundled Digital Loop 64 Kbps - Zone 3		3	UDL	UDL64	55.99	161.56	108.85	67.08	15.56		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UDL	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			UDL	UREWO		102.11	49.74				11.90				
	2-WIRE Unbundled COPPER LOOP															
	2-Wire Unbundled Copper Loop/Short including manual service inquiry & facility reservation - Zone 1		1	UCL	UCLPB	8.30	148.50	102.82	75.05	15.63		11.90				
	2-Wire Unbundled Copper Loop/Short including manual service inquiry & facility reservation - Zone 2		2	UCL	UCLPB	11.80	148.50	102.82	75.05	15.63		11.90				
	2 Wire Unbundled Copper Loop/Short including manual service inquiry & facility reservation - Zone 3		3	UCL	UCLPB	20.94	148.50	102.82	75.05	15.63		11.90				
	Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9.00	9.00								
	2-Wire Unbundled Copper Loop/Short without manual service inquiry and facility reservation - Zone 1		1	UCL	UCLPW	8.30	123.81	70.09	60.64	9.12		11.90				
	2-Wire Unbundled Copper Loop/Short without manual service inquiry and facility reservation - Zone 2		2	UCL	UCLPW	11.80	123.81	70.09	60.64	9.12		11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l			
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Unbundled Copper Loop/Short without manual service inquiry and facility reservation - Zone 3		3	UCL	UCLPW	20.94	123.81	70.09	60.64	9.12		11.90			
	Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9.00	9.00							
	2-Wire Unbundled Copper Loop/Long - includes manual svc. inquiry and facility reservation - Zone 1		1	UCL	UCL2L	17.42	148.50	102.82	75.05	15.63		11.90			
	2-Wire Unbundled Copper Loop/Long - includes manual svc. inquiry and facility reservation - Zone 2		2	UCL	UCL2L	24.76	148.50	102.82	75.05	15.63		11.90			
	2-Wire Unbundled Copper Loop/Long - includes manual svc. inquiry and facility reservation - Zone 3		3	UCL	UCL2L	43.94	148.50	102.82	75.05	15.63		11.90			
	Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9.00	9.00							
	2-Wire Unbundled Copper Loop/Long - without manual service inquiry and facility reservation - Zone 1		1	UCL	UCL2W	17.42	123.81	70.09	60.64	9.12		11.90			
	2-Wire Unbundled Copper Loop/Long - without manual service inquiry and facility reservation - Zone 2		2	UCL	UCL2W	24.76	123.81	70.09	60.64	9.12		11.90			
	2-Wire Unbundled Copper Loop/Long - without manual service inquiry and facility reservation - Zone 3		3	UCL	UCL2W	43.94	123.81	70.09	60.64	9.12		11.90			
	Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9.00	9.00							
	CLEC to CLEC Conversion Charge without outside dispatch (UCL -Des)			UCL	UREWO		97.21	42.47				11.90			
4-WIRE COPPER LOOP															
	4-Wire Copper Loop/Short - including manual service inquiry and facility reservation - Zone 1		1	UCL	UCL4S	11.83	177.87	132.76	77.15	17.73		11.90			
	4-Wire Copper Loop/Short - including manual service inquiry and facility reservation - Zone 2		2	UCL	UCL4S	16.81	177.87	132.76	77.15	17.73		11.90			
	4-Wire Copper Loop/Short - including manual service inquiry and facility reservation - Zone 3		3	UCL	UCL4S	29.82	177.87	132.76	77.15	17.73		11.90			
	Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9.00	9.00							
	4-Wire Copper Loop/Short - without manual service inquiry and facility reservation - Zone 1		1	UCL	UCL4W	11.83	153.18	100.03	62.74	11.22		11.90			
	4-Wire Copper Loop/Short - without manual service inquiry and facility reservation - Zone 2		2	UCL	UCL4W	16.81	153.18	100.03	62.74	11.22		11.90			
	4-Wire Copper Loop/Short - without manual service inquiry and facility reservation - Zone 3		3	UCL	UCL4W	29.82	153.18	100.03	62.74	11.22		11.90			
	Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9.00	9.00							
	4-Wire Unbundled Copper Loop/Long - includes manual svc. inquiry and facility reservation - Zone 1		1	UCL	UCL4L	31.10	177.87	132.76	77.15	17.73		11.90			
	4-Wire Unbundled Copper Loop/Long - includes manual svc. inquiry and facility reservation - Zone 2		2	UCL	UCL4L	44.20	177.87	132.76	77.15	17.73		11.90			
	4-Wire Unbundled Copper Loop/Long - includes manual svc. inquiry and facility reservation - Zone 3		3	UCL	UCL4L	78.42	177.87	132.76	77.15	17.73		11.90			
	Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9.00	9.00							
	4-Wire Unbundled Copper Loop/Long - without manual svc. inquiry and facility reservation - Zone 1		1	UCL	UCL4O	31.10	153.18	100.03	62.74	11.22		11.90			
	4-Wire Unbundled Copper Loop/Long - without manual svc. inquiry and facility reservation - Zone 2		2	UCL	UCL4O	44.20	153.18	100.03	62.74	11.22		11.90			
	4-Wire Unbundled Copper Loop/Long - without manual svc. inquiry and facility reservation - Zone 3		3	UCL	UCL4O	78.42	153.18	100.03	62.74	11.22		11.90			
	Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9.00	9.00							
	CLEC to CLEC Conversion Charge without outside dispatch			UCL	UREWO		97.21	42.47				11.90			
LOOP MODIFICATION															
	Unbundled Loop Modification, Removal of Load Coils - 2 Wire pair less than or equal to 18k ft			UAL, UHL, UCL, UEQ, ULS, UEA, UEANL, UDL, UDC, UDN, UDL, USL	ULM2L		0.00	0.00				11.90			
	Unbundled Loop Modification, Removal of Load Coils - 2 wire greater than 18k ft			UCL, ULS, UEQ	ULM2G		343.12	343.12				11.90			
	Unbundled Loop Modification Removal of Load Coils - 4 Wire less than or equal to 18K ft			UHL, UCL	ULM4L		0.00	0.00				11.90			

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Inter m	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect							OSS Rates(\$)
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Unbundled Loop Modification Removal of Load Coils - 4 Wire pair greater than 18k ft			UCL	ULM4G		343.12	343.12				11.90				
	Unbundled Loop Modification Removal of Bridged Tap Removal, per unbundled loop			UAL, UHL, UCL, UEQ, UEF, ULS, UEA, UEANL, UDL, UDC, UDN, UDL, USL	ULMBT		10.52	10.52				11.90				
SUB-LOOPS																
	Sub-Loop Distribution															
	Sub-Loop - Per Cross Box Location - CLEC Feeder Facility Set-Up	I		UEANL	USBSA		487.23					11.90				
	Sub-Loop - Per Cross Box Location - Per 25 Pair Panel Set-Up	I		UEANL	USBSB		6.25					11.90				
	Sub-Loop - Per Building Equipment Room - CLEC Feeder Facility Set-Up	I		UEANL	USBSC		169.25					11.90				
	Sub-Loop - Per Building Equipment Room - Per 25 Pair Panel Set-Up	I		UEANL	USBSD		38.65					11.90				
	Sub-Loop Distribution Per 2-Wire Analog Voice Grade Loop - Zone 1		1	UEANL	USBN2	6.46	60.19	21.78	47.50	5.26		11.90				
	Sub-Loop Distribution Per 2-Wire Analog Voice Grade Loop - Zone 2		2	UEANL	USBN2	9.18	60.19	21.78	47.50	5.26		11.90				
	Sub-Loop Distribution Per 2-Wire Analog Voice Grade Loop - Zone 3		3	UEANL	USBN2	16.29	60.19	21.78	47.50	5.26		11.90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEANL	USBMC		9.00									
	Sub-Loop Distribution Per 4-Wire Analog Voice Grade Loop - Zone 1		1	UEANL	USBN4	7.37	68.83	30.42	49.71	6.60		11.90				
	Sub-Loop Distribution Per 4-Wire Analog Voice Grade Loop - Zone 2		2	UEANL	USBN4	10.47	68.83	30.42	49.71	6.60		11.90				
	Sub-Loop Distribution Per 4-Wire Analog Voice Grade Loop - Zone 3		3	UEANL	USBN4	18.58	68.83	30.42	49.71	6.60		11.90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEANL	USBMC		9.00									
	Sub-Loop 2-Wire Intrabuilding Network Cable (INC)	I		UEANL	USBR2	3.96	51.84	13.44	47.50	5.26		11.90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEANL	USBMC		9.00									
	Sub-Loop 4-Wire Intrabuilding Network Cable (INC)	I		UEANL	USBR4	9.37	55.91	17.51	49.71	6.60		11.90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEANL	USBMC		9.00									
	2 Wire Copper Unbundled Sub-Loop Distribution - Zone 1	I	1	UEF	UCS2X	5.15	60.19	21.78	47.50	5.26		11.90				
	2 Wire Copper Unbundled Sub-Loop Distribution - Zone 2	I	2	UEF	UCS2X	7.31	60.19	21.78	47.50	5.26		11.90				
	2 Wire Copper Unbundled Sub-Loop Distribution - Zone 3	I	3	UEF	UCS2X	12.98	60.19	21.78	47.50	5.26		11.90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEF	USBMC		9.00									
	4 Wire Copper Unbundled Sub-Loop Distribution - Zone 1	I	1	UEF	UCS4X	5.36	68.83	30.42	49.71	6.60		11.90				
	4 Wire Copper Unbundled Sub-Loop Distribution - Zone 2	I	2	UEF	UCS4X	7.61	68.83	30.42	49.71	6.60		11.90				
	4 Wire Copper Unbundled Sub-Loop Distribution - Zone 3	I	3	UEF	UCS4X	13.51	68.83	30.42	49.71	6.60		11.90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEF	USBMC		9.00									
Unbundled Sub-Loop Modification																
	Unbundled Sub-Loop Modification - 2-W Copper Dist Load Coil/Equip Removal per 2-W PR			UEF	ULM2X		10.11					11.90				
	Unbundled Sub-loop Modification - 4-W Copper Dist Load Coil/Equip Removal per 4-W PR			UEF	ULM4X		10.11					11.90				
	Unbundled Sub-loop Modification - 2-w/4-w Copper Dist Bridged Tap Removal, per PR unloaded			UEF	ULM4T		15.58					11.90				
Unbundled Network Terminating Wire (UNTW)																
	Unbundled Network Terminating Wire (UNTW) per Pair			UENTW	UENPP	0.4572	18.02					11.90				
Network Interface Device (NID)																

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida										Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Inter m	Zone	BCS	USOC	RATES(\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)		
							First	Add'l	First	Add'l	SOMECE	SOMAN	
	Network Interface Device (NID) - 1-2 lines			UENTW	UND12		71.49	48.87				11.90	
	Network Interface Device (NID) - 1-6 lines			UENTW	UND16		113.89	89.07				11.90	
	Network Interface Device Cross Connect - 2 W			UENTW	UNDC2		7.63	7.63				11.90	
	Network Interface Device Cross Connect - 4W			UENTW	UNDC4		7.63	7.63				11.90	
SUB-LOOPS													
	Sub-Loop Feeder												
	USL-Feeder, DS0 Set-up per Cross Box location - CLEC Distribution Facility set-up			UEA, UDN,UCL,UDL,UDC	USBFW		487.23					11.90	
	USL Feeder - DS0 Set-up per Cross Box location - per 25 pair set-up			UEA, UDN,UCL,UDL,UDC	USBFX		6.25	6.25				11.90	
	USL Feeder DS1 Set-up at DSX location, per DS1 termination			USL	USBFZ		522.41	11.32				11.90	
	Unbundled Sub-Loop Feeder Loop, 2 Wire Ground Start, Voice Grade - Zone 1		1	UEA	USBFA	6.41	92.75	51.24	58.45	13.07		11.90	
	Unbundled Sub-Loop Feeder Loop, 2 Wire Ground-Start, Voice Grade - Zone 2		2	UEA	USBFA	9.10	92.75	51.24	58.45	13.07		11.90	
	Unbundled Sub-Loop Feeder Loop, Per 2 Wire Ground-Start, Voice Grade - Zone 3		3	UEA	USBFA	16.15	92.75	51.24	58.45	13.07		11.90	
	Order Coordination for Specified Conversion Time, per LSR			UEA	OCOSL		23.02						
	Unbundled Sub-Loop Feeder Loop, 2 Wire Loop-Start, Voice Grade - Zone 1		1	UEA	USBFB	6.41	92.75	51.24	58.45	13.07		11.90	
	Unbundled Sub-Loop Feeder Loop, 2 Wire Loop-Start, Voice Grade - Zone 2		2	UEA	USBFB	9.10	92.75	51.24	58.45	13.07		11.90	
	Unbundled Sub-Loop Feeder Loop, 2 Wire Start Loop, Voice Grade - Zone 3		3	UEA	USBFB	16.15	92.75	51.24	58.45	13.07		11.90	
	Order Coordination for Specified Time Conversion, per LSR			UEA	OCOSL		23.02						
	Unbundled Sub-Loop Feeder Loop, 2 Wire Reverse Battery, Voice Grade - Zone 1		1	UEA	USBFC	6.41	92.75	51.24	58.45	13.07		11.90	
	Unbundled Sub-Loop Feeder Loop, 2 Wire Reverse Battery, Voice Grade - Zone 2		2	UEA	USBFC	9.10	92.75	51.24	58.45	13.07		11.90	
	Unbundled Sub-Loop Feeder Loop, 2 Wire Analog Reverse Battery, Voice Grade - Zone 3		3	UEA	USBFC	16.15	92.75	51.24	58.45	13.07		11.90	
	Order Coordination For Specified Conversion Time, per LSR			UEA	OCOSL		23.02						
	Unbundled Sub-Loop Feeder Loop, 4 Wire Ground-Start, Voice Grade - Zone 1		1	UEA	USBFD	12.47	106.92	64.46	63.54	14.83		11.90	
	Unbundled Sub-Loop Feeder Loop, 4 Wire Ground-Start, Voice Grade - Zone 2		2	UEA	USBFD	17.73	106.92	64.46	63.54	14.83		11.90	
	Unbundled Sub-Loop Feeder Loop, 4 Wire Ground Start, Voice Grade - Zone 3		3	UEA	USBFD	31.45	106.92	64.46	63.54	14.83		11.90	
	Order Coordination For Specified Conversion Time, Per LSR			UEA	OCOSL		23.02						
	Unbundled Sub-Loop Feeder Loop, 4 Wire Loop-Start, Voice Grade - Zone 1		1	UEA	USBFE	12.47	106.92	64.46	63.54	14.83		11.90	
	Unbundled Sub-Loop Feeder Loop, 4 Wire Loop-Start, Voice Grade - Zone 2		2	UEA	USBFE	17.73	106.92	64.46	63.54	14.83		11.90	
	Unbundled Sub-Loop Feeder Loop, 4 Wire Loop-Start, Voice Grade - Zone 3		3	UEA	USBFE	31.45	106.92	64.46	63.54	14.83		11.90	
	Order Coordination For Specified Conversion Time, Per LSR			UEA	OCOSL		23.02						
	Unbundled Sub-Loop Feeder Loop, 2 Wire ISDN BRI - Zone 1		1	UDN	USBFF	14.83	109.71	66.68	60.21	12.49		11.90	
	Unbundled Sub-Loop Feeder Loop, 2-Wire ISDN BRI - Zone 2		2	UDN	USBFF	21.07	109.71	66.68	60.21	12.49		11.90	
	Unbundled Sub-Loop Feeder Loop, 2-Wire ISDN BRI - Zone 3		3	UDN	USBFF	37.39	109.71	66.68	60.21	12.49		11.90	
	Order Coordination For Specified Conversion Time, Per LSR			UDN	OCOSL		23.02						
	Unbundled Sub-Loop Feeder, 2 Wire UDC (IDSL compatible)		1	UDC	USBFS	14.83	109.71	66.68	60.21	12.49		11.90	
	Unbundled Sub-Loop Feeder, 2 Wire UDC (IDSL compatible)		2	UDC	USBFS	21.07	109.71	66.68	60.21	12.49		11.90	
	Unbundled Sub-Loop Feeder, 2 Wire UDC (IDSL compatible)		3	UDC	USBFS	37.39	109.71	66.68	60.21	12.49		11.90	
	Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 1		1	USL	USBFG	42.59	133.77	78.02	85.16	21.21		11.90	
	Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 2		2	USL	USBFG	60.53	133.77	78.02	85.16	21.21		11.90	
	Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 3		3	USL	USBFG	107.39	133.77	78.02	85.16	21.21		11.90	
	Order Coordination For Specified Conversion Time, Per LSR			USL	OCOSL		23.02						
	Unbundled Sub-Loop Feeder, 2-Wire Copper Loop - Zone 1		1	UCL	USBFH	3.76	85.27	42.24	58.54	10.82		11.90	

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interi m	Zone	BCS	USOC	RATES(\$)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect				OSS Rates(\$)			
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Unbundled Sub-Loop Feeder Loop, 2-Wire Copper Loop - Zone 2		2	UCL	USBFH	5.35	85.27	42.24	58.54	10.82		11.90				
	Unbundled Sub-Loop Feeder Loop, 2-Wire Copper Loop - Zone 3		3	UCL	USBFH	9.49	85.27	42.24	58.54	10.82		11.90				
	Order Coordination For Specified Conversion Time, per LSR			UCL	OCOSL		23.02									
	Sub-Loop Feeder - Per 4-Wire Copper Loop - Zone 1		1	UCL	USBFJ	7.32	99.66	57.20	60.98	12.28		11.90				
	Sub-Loop Feeder - Per 4-Wire Copper Loop - Zone 2		2	UCL	USBFJ	10.40	99.66	57.20	60.98	12.28		11.90				
	Sub-Loop Feeder - Per 4-Wire Copper Loop - Zone 3		3	UCL	USBFJ	18.46	99.66	57.20	60.98	12.28		11.90				
	Order Coordination For Specified Conversion Time, per LSR			UCL	OCOSL		23.02									
	Sub-Loop Feeder - Per 4-Wire 19.2 Kbps Digital Grade Loop		1	UDL	USBFN	14.48	100.62	58.16	63.54	14.83		11.90				
	Sub-Loop Feeder - Per 4-Wire 19.2 Kbps Digital Grade Loop		2	UDL	USBFN	20.59	100.62	58.16	63.54	14.83		11.90				
	Sub-Loop Feeder - Per 4-Wire 19.2 Kbps Digital Grade Loop		3	UDL	USBFN	36.53	100.62	58.16	63.54	14.83		11.90				
	Sub-Loop Feeder - Per 4-Wire 56 Kbps Digital Grade Loop - Zone 1		1	UDL	USBFO	14.48	100.62	58.16	63.54	14.83		11.90				
	Sub-Loop Feeder - Per 4-Wire 56 Kbps Digital Grade Loop - Zone 2		2	UDL	USBFO	20.59	100.62	58.16	63.54	14.83		11.90				
	Sub-Loop Feeder - Per 4-Wire 56 Kbps Digital Grade Loop - Zone 3		3	UDL	USBFO	36.53	100.62	58.16	63.54	14.83		11.90				
	Order Coordination For Specified Time Conversion, per LSR			UDL	OCOSL		23.02									
	Sub-Loop Feeder - Per 4-Wire 64 Kbps Digital Grade Loop - Zone 1		1	UDL	USBFP	14.48	100.62	58.16	63.54	14.83		11.90				
	Sub-Loop Feeder - Per 4-Wire 64 Kbps Digital Grade Loop - Zone 2		2	UDL	USBFP	20.59	100.62	58.16	63.54	14.83		11.90				
	Sub-Loop Feeder - Per 4-Wire 64 Kbps Digital Grade Loop - Zone 3		3	UDL	USBFP	36.53	100.62	58.16	63.54	14.83		11.90				
	Order Coordination For Specified Conversion Time, per LSR			UDL	OCOSL		23.02									
SUB-LOOPS																
	Sub-Loop Feeder															
	Sub Loop Feeder - DS3 - Per Mile Per Month	I		UE3	1L5SL	15.69										
	Sub Loop Feeder - DS3 - Facility Termination Per Month	I		UE3	USBF1	347.59	3,402.59	407.15	166.83	94.58		11.90				
	Sub Loop Feeder - STS-1 - Per Mile Per Month	I		UDLSX	1L5SL	15.69										
	Sub Loop Feeder - STS-1 - Facility Termination Per Month	I		UDLSX	USBF7	402.09	3,402.59	407.15	166.83	94.58		11.90				
	Sub Loop Feeder - OC-3 - Per Mile Per Month	I		UDLO3	1L5SL	11.90										
	Sub Loop Feeder - OC-3 - Facility Termination Protection Per Month	I		UDLO3	USBF5	62.98										
	Sub Loop Feeder - OC-3 - Facility Termination Per Month	I		UDLO3	USBF2	547.22	3,402.59	407.15	166.83	94.58		11.90				
	Sub Loop Feeder - OC-12 - Per Mile Per Month	I		UDL12	1L5SL	14.65										
	Sub Loop Feeder - OC-12 - Facility Termination Protection Per Month	I		UDL12	USBF6	502.47										
	Sub Loop Feeder - OC-12 - Facility Termination Per Month	I		UDL12	USBF3	1,577.00	3,402.59	407.15	166.83	94.58		11.90				
	Sub Loop Feeder - OC-48 - Per Mile Per Month	I		UDL48	1L5SL	48.06										
	Sub Loop Feeder - OC-48 - Facility Termination Protection Per Month	I		UDL48	USBF9	251.80										
	Sub Loop Feeder - OC-48 - Facility Termination Per Month	I		UDL48	USBF4	1,589.00	3,588.59	407.15	168.35	95.43		11.90				
	Sub Loop Feeder - OC-12 Interface On OC-48	I		UDL48	USBF8	331.15	804.98	407.15	168.35	95.43		11.90				
UNBUNDLED LOOP CONCENTRATION																
	Unbundled Loop Concentration - System A (TR008)			ULC	UCT8A	449.49	359.42	359.42				11.90				
	Unbundled Loop Concentration - System B (TR008)			ULC	UCT8B	53.44	149.76	149.76				11.90				
	Unbundled Loop Concentration - System A (TR303)			ULC	UCT3A	487.33	359.42	359.42				11.90				
	Unbundled Loop Concentration - System B (TR303)			ULC	UCT3B	90.05	149.76	149.76				11.90				
	Unbundled Loop Concentration - DS1 Loop Interface Card			ULC	UCTCO	5.04	71.70	51.52	18.49	4.82		11.90				
	Unbundled Loop Concentration - ISDN Loop Interface (Brite Card)			UDN	ULCC1	8.00	16.59	16.50	6.77	6.73		11.90				
	Unbundled Loop Concentration - UDC Loop Interface (Brite Card)			UDC	ULCCU	8.00	16.59	16.50	6.77	6.73		11.90				
	Unbundled Loop Concentration - 2 Wire Voice-Loop Start or Ground Start Loop Interface (POTS Card)			UEA	ULCC2	2.00	16.59	16.50	6.77	6.73		11.90				
	Unbundled Loop Concentration - 2 Wire Voice - Reverse Battery Loop Interface (SPOTS Card)			UEA	ULCCR	11.90	16.59	16.50	6.77	6.73		11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS		Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
							Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
								First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN
		Unbundled Loop Concentration - 4 Wire Voice Loop Interface (Specials Card)			UEA	ULCC4	7.10	16.59	16.50	6.77	6.73		11.90			
		Unbundled Loop Concentration - TEST CIRCUIT Card			ULC	UCTTC	34.68	16.59	16.50	6.77	6.73		11.90			
		Unbundled Loop Concentration - Digital 19.2 Kbps Data Loop Interface			UDL	ULCC7	10.51	16.59	16.50	6.77	6.73		11.90			
		Unbundled Loop Concentration - Digital 56 Kbps Data Loop Interface			UDL	ULCC5	10.51	16.59	16.50	6.77	6.73		11.90			
		Unbundled Loop Concentration - Digital 64 Kbps Data Loop Interface			UDL	ULCC6	10.51	16.59	16.50	6.77	6.73		11.90			
UNE OTHER, PROVISIONING ONLY - NO RATE																
		NID - Dispatch and Service Order for NID installation			UENTW	UNDBX	0.00	0.00								
		UNTW Circuit Id Establishment, Provisioning Only - No Rate			UENTW	UENCE	0.00	0.00								
		Unbundled Contract Name, Provisioning Only - No Rate			UEANL,UEF,UEQ,UENTW	UNECN	0.00	0.00								
UNE OTHER, PROVISIONING ONLY - NO RATE																
		Unbundled Contact Name, Provisioning Only - no rate			UAL,UCL,UDC,UDL,UDN,UEA,UHL,ULC	UNECN	0.00	0.00								
		Unbundled Sub-Loop Feeder-2 Wire Cross Box Jumper - no rate			UEA,UDN,UCL,UDC	USBFQ	0.00	0.00								
		Unbundled Sub-Loop Feeder-4 Wire Cross Box Jumper - no rate			UEA,USL,UCL,UDL	USBFR	0.00	0.00								
		Unbundled DS1 Loop - Superframe Format Option - no rate			USL	CCOSF	0.00	0.00								
		Unbundled DS1 Loop - Expanded Superframe Format option - no rate			USL	CCOEF	0.00	0.00								
HIGH CAPACITY UNBUNDLED LOCAL LOOP																
		High Capacity Unbundled Local Loop - DS3 - Per Mile per month			UE3	1L5ND	10.92									
		High Capacity Unbundled Local Loop - DS3 - Facility Termination per month			UE3	UE3PX	386.88	556.37	343.01	139.13	96.84		11.90			
		High Capacity Unbundled Local Loop - STS-1 - Per Mile per month			UDLSX	1L5ND	10.92									
		High Capacity Unbundled Local Loop - STS-1 - Facility Termination per month			UDLSX	UDLS1	426.60	556.37	343.01	139.13	96.84		11.90		1.83	
LOOP MAKE-UP																
		Loop Makeup - Preordering Without Reservation, per working or spare facility queried (Manual).			UMK	UMKLW		52.17	52.17							
		Loop Makeup - Preordering With Reservation, per spare facility queried (Manual).			UMK	UMKLP		55.07	55.07							
		Loop Makeup-With or Without Reservation, per working or spare facility queried (Mechanized)			UMK	PSUMK		0.6784	0.6784							
HIGH FREQUENCY SPECTRUM																
LINE SHARING																
SPLITTERS-CENTRAL OFFICE BASED																
		Line Sharing Splitter, per System 96 Line Capacity - True up pending approval by PSC	R		ULS	ULSDA	119.72	379.13	0.00	347.90	0.00		11.90			
		Line Sharing Splitter, per System 24 Line Capacity - True up pending approval by PSC	R		ULS	ULSDB	29.93	379.13	0.00	347.90	0.00		11.90			
		Line Sharing Splitter, Per System, 8 Line Capacity	I		ULS	ULSD8	8.33	379.13	0.00	347.90	0.00		11.90			
		Line Sharing-DLEC Owned Splitter in CO-CFA activation-deactivation (per LSOD)			ULS	ULSDG		173.66	0.00	97.42	0.00		11.90			
END USER ORDERING-CENTRAL OFFICE BASED-HIGH FREQUENCY SPECTRUM AKA LINE SHARING																
		Line Sharing - per Line Activation -(BST Owned Splitter)			ULS	ULSDC	0.61	29.68	21.28	19.57	9.61		11.90			
		Line Sharing - per Subsequent Activity per Line Rearrangement - True up pending approval by PSC(BST Owned Splitter)	R		ULS	ULSDS		21.68	16.44				11.90			
		Line Sharing - per Subsequent Activity per Line Rearrangement - True up pending approval by PSC(DLEC Owned Splitter)	R		ULS	ULSCS		21.68	16.44				11.90			

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOME	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Line Sharing - per Line Activation (DLEC owned Splitter)	I		ULS	ULSCC	0.61	47.44	19.31	20.67	12.74		11.90				
LINE SPLITTING																
END USER ORDERING-CENTRAL OFFICE BASED																
	Line Splitting - per line activation DLEC owned splitter	I		UEPSR UEPSB	UREOS	0.61										
	Line Splitting - per line activation BST owned - physical	I		UEPSR UEPSB	UREBP	0.61	29.68	21.28	19.57	9.61		11.90				
	Line Splitting - per line activation BST owned - virtual	I		UEPSR UEPSB	UREBV	1.134	29.68	21.28	19.57	9.61		11.90				
REMOTE SITE HIGH FREQUENCY SPECTRUM																
SPLITTERS-REMOTE SITE																
	Remote Site Line Share BellSouth Owned Splitter, 24 Port	I		ULS	ULSRB	25.00	150.00	0.00	150.00	0.00		11.90				
	Remote Site Line Share Cable Pair Activation CLEC Owned at RS and deactivation	I		ULS	ULSTG		74.38	0.00	46.77	0.00		11.90				
END USER ORDERING-REMOTE SITE HIGH FREQUENCY SPECTRUM AKA REMOTE SITE LINE SHARING																
	Remote Site Line Share Line Activationfor End User Served at RS, BST Splitter	I		ULS	ULSRC	0.61	40.00	22.00	19.57	9.61		11.90				
	RS Line Share Line Activation for End User served at RS, CLEC Splitter	I		ULS	ULSTC	0.61	40.00	22.00	19.57	9.61		11.90				
UNBUNDLED DEDICATED TRANSPORT																
NOTE: INTEROFFICE CHANNEL DEDICATED TRANSPORT - minimum billing period - below DS3=one month, DS3/STS-1=four months																
INTEROFFICE CHANNEL - DEDICATED TRANSPORT																
	Interoffice Channel - Dedicated Transport - 2-Wire Voice Grade - Per Mile per month			U1TVX	1L5XX	0.0091										
	Interoffice Channel - Dedicated Transport- 2- Wire Voice Grade - Facility Termination			U1TVX	U1TV2	25.32	47.35	31.78	18.31	7.03		11.90				
	Interoffice Channel - Dedicated Transport- 2-Wire Voice Grade Rev Bat. - Per Mile per month			U1TVX	1L5XX	0.0091										
	Interoffice Channel - Dedicated Transport- 2- Wire VG Rev Bat. - Facility Termination			U1TVX	U1TR2	25.32	47.35	31.78	18.31	7.03		11.90				
	Interoffice Channel - Dedicated Transport - 4-Wire Voice Grade - Per Mile per month			U1TVX	1L5XX	0.0091										
	Interoffice Channel - Dedicated Transport - 4- Wire Voice Grade - Facility Termination			U1TVX	U1TV4	22.58	47.35	31.78	18.31	7.03		11.90				
	Interoffice Channel - Dedicated Transport - 56 kbps - per mile per month			U1TDX	1L5XX	0.0091										
	Interoffice Channel - Dedicated Transport - 56 kbps - Facility Termination			U1TDX	U1TD5	18.44	47.35	31.78	18.31	7.03		11.90				
	Interoffice Channel - Dedicated Transport - 64 kbps - per mile per month			U1TDX	1L5XX	0.0091										
	Interoffice Channel - Dedicated Transport - 64 kbps - Facility Termination			U1TDX	U1TD6	18.44	47.35	31.78	18.31	7.03		11.90				
	Interoffice Channel - Dedicated Channel - DS1 - Per Mile per month			U1TD1	1L5XX	0.1856										
	Interoffice Channel - Dedicated Tranport - DS1 - Facility Termination			U1TD1	U1TF1	88.44	105.54	98.47	21.47	19.05		11.90				
	Interoffice Channel - Dedicated Transport - DS3 - Per Mile per month			U1TD3	1L5XX	3.87										
	Interoffice Channel - Dedicated Transport - DS3 - Facility Termination per month			U1TD3	U1TF3	1,071.00	335.46	219.28	72.03	70.56		11.90				
	Interoffice Channel - Dedicated Transport - STS-1 - Per Mile per month			U1TS1	1L5XX	3.87										
	Interoffice Channel - Dedicated Transport - STS-1 - Facility Termination			U1TS1	U1TFS	1,056.00	335.46	219.28	72.03	70.56		11.90				
LOCAL CHANNEL - DEDICATED TRANSPORT																
NOTE: LOCAL CHANNEL DEDICATED TRANSPORT - minimum billing period - below DS3=one month, DS3/STS-1=four months																
	Local Channel - Dedicated - 2-Wire Voice Grade - Zone 1		1	ULDVX	ULDV2	19.66	265.84	46.97	37.63	4.00		11.90				
	Local Channel - Dedicated - 2-Wire Voice Grade - Zone 2		2	ULDVX	ULDV2	27.94	265.84	46.97	37.63	4.00		11.90				
	Local Channel - Dedicated - 2-Wire Voice Grade - Zone 3		3	UNDVX	ULDV2	49.58	265.84	46.97	37.63	4.00		11.90				
	Local Channel - Dedicated - 2-Wire Voice Grade Rev. Bat. - Zone 1		1	ULDVX	ULDR2	19.66	265.84	46.97	37.63	4.00		11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Inter m	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect						
							First	Add'l	First			Add'l	SOMECD	SOMAN	SOMAN
	Local Channel - Dedicated - 2-Wire Voice Grade Rev. Bat. - Zone 2		2	ULDVX	ULDR2	27.94	265.84	46.97	37.63	4.00		11.90			
	Local Channel - Dedicated - 2-Wire Voice Grade Rev. Bat. - Zone 3		3	ULDVX	ULDR2	49.58	265.84	46.97	37.63	4.00		11.90			
	Local Channel - Dedicated - 4-Wire Voice Grade - Zone 1		1	UNDVX	ULDV4	20.45	266.54	47.67	44.22	5.33		11.90			
	Local Channel - Dedicated - 4-Wire Voice Grade - Zone 2		2	UNDVX	ULDV4	29.06	266.54	47.67	44.22	5.33		11.90			
	Local Channel - Dedicated - 4-Wire Voice Grade - Zone 3		3	UNDVX	ULDV4	51.56	266.54	47.67	44.22	5.33		11.90			
	Local Channel - Dedicated - DS1 - Zone 1		1	ULDD1	ULDF1	36.49	216.65	183.54	24.30	16.95		11.90			
	Local Channel - Dedicated - DS1 - Zone 2		2	ULDD1	ULDF1	51.85	216.65	183.54	24.30	16.95		11.90			
	Local Channel - Dedicated - DS1 - Zone 3		3	ULDD1	ULDF1	92.00	216.65	183.54	24.30	16.95		11.90			
	Local Channel - Dedicated - DS3 - Per Mile per month			ULDD3	1L5NC	8.50									
	Local Channel - Dedicated - DS3 - Facility Termination			ULDD3	ULDF3	531.91	556.37	343.01	139.13	96.84		11.90			
	Local Channel - Dedicated - STS-1 - Per Mile per month			ULDS1	1L5NC	8.50									
	Local Channel - Dedicated - STS-1 - Facility Termination			ULDS1	ULDFS	540.69	556.37	343.01	139.13	96.84		11.90			
DARK FIBER															
	Dark Fiber, Four Fiber Strands, Per Route Mile or Fraction Thereof per month - Local Channel			UDF	1L5DC	55.04									
	NRC Dark Fiber - Local Channel			UDF	UDFC4		751.34	193.88				11.90			
	Dark Fiber, Four Fiber Strands, Per Route Mile or Fraction Thereof per month - Interoffice Channel			UDF	1L5DF	26.85									
	NRC Dark Fiber - Interoffice Channel			UDF	UDF14		751.34	193.88				11.90			
	Dark Fiber, Four Fiber Strands, Per Route Mile or Fraction Thereof per month - Local Loop			UDF	1L5DL	55.04									
	NRC Dark Fiber - Local Loop			UDF	UDFL4		751.34	193.88				11.90			
8XX ACCESS TEN DIGIT SCREENING															
	8XX Access Ten Digit Screening, Per Call			OHD		0.0006252									
	8XX Access Ten Digit Screening, Reservation Charge Per 8XX Number Reserved			OHD	N8R1X		4.15	0.70				11.90			
	8XX Access Ten Digit Screening, Per 8XX No. Established W/O POTS Translations			OHD			8.78	1.18	5.77	0.70		11.90			
	8XX Access Ten Digit Screening, Per 8XX No. Established With POTS Translations			OHD	N8FTX		8.78	1.18	5.77	0.70		11.90			
	8XX Access Ten Digit Screening, Customized Area of Service Per 8XX Number			OHD	N8FCX		4.15	2.07				11.90			
	8XX Access Ten Digit Screening, Multiple InterLATA CXR Routing Per CXR Requested Per 8XX No.			OHD	N8FMX		4.85	2.78				11.90			
	8XX Access Ten Digit Screening, Change Charge Per Request			OHD	N8FAX		4.85	0.70				11.90			
	8XX Access Ten Digit Screening, Call Handling and Destination Features			OHD	N8FDX		4.15	4.15				11.90			
	8XX Access Ten Digit Screening, w/ 8FL No. Delivery, per query			OHD		0.0006252									
	8XX Access Ten Digit Screening, w/ POTS No. Delivery, per query			OHD		0.0006252									
LINE INFORMATION DATA BASE ACCESS (LIDB)															
	LIDB Common Transport Per Query			OQT		0.0000203									
	LIDB Validation Per Query			OQU		0.0136959									
	LIDB Originating Point Code Establishment or Change			OQT, OQU	NRPBX		55.13	55.13	55.13	55.13		11.90			
SIGNALING (CCS7)															
	CCS7 Signaling Termination, Per STP Port			UDB	PT8SX	135.05									
	CCS7 Signaling Usage, Per TCAP Message			UDB		0.0000607									
	CCS7 Signaling Connection, Per link (A link)			UDB	TPP++	17.93	43.57	43.57	18.31	18.31		11.90			
	CCS7 Signaling Connection, Per link (B link) (also known as D link)			UDB	TPP++	17.93	43.57	43.57	18.31	18.31		11.90			
	CCS7 Signaling Usage, Per ISUP Message			UDB		0.0000152									
	CCS7 Signaling Usage Surrogate, per link per LATA			UDB	STU56	694.32									
	CCS7 Signaling Point Code, per Originating Point Code Establishment or Change, per STP affected			UDB	CCAPO		46.03	46.03	46.03	46.03		11.90			
E911 SERVICE															
	Local Channel - Dedicated - 2-wr Voice Grade - Zone 1					21.94	265.84	46.97	37.63	4.00		11.90			

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida										Attachment: 2		Exhibit: B			
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN
	Local Channel - Dedicated - 2-wr Voice Grade - Zone 2					29.62	265.84	46.97	37.63	4.00		11.90			
	Local Channel - Dedicated - 2-wr Voice Grade - Zone 3					57.22	265.84	46.97	37.63	4.00		11.90			
	Interoffice Transport - Dedicated - 2-wr Voice Grade Per Mile					0.0091									
	Interoffice Transport - Dedicated - 2-wr Voice Grade Per Facility Termination					25.32	47.35	31.78	18.31	7.03		11.90			
	Local Channel - Dedicated - DS1 - Zone 1					35.28	216.65	183.54	21.47	19.05		11.90			
	Local Channel - Dedicated - DS1 - Zone 2					47.63	216.65	183.54	21.47	19.05		11.90			
	Local Channel - Dedicated - DS1 - Zone 3					92.01	216.65	183.54	21.47	19.05		11.90			
	Interoffice Transport - Dedicated - DS1 Per Mile					0.1856									
	Interoffice Transport - Dedicated - DS1 Per Facility Termination					88.44	105.54	98.47	21.47	19.05		11.90			
CALLING NAME (CNAM) SERVICE															
	CNAM For DB Owners - Service Establishment			QQV			25.35	25.35	19.01	19.01		11.90			
	CNAM For Non DB Owners - Service Establishment			QQV			25.35	25.35	19.01	19.01		11.90			
	CNAM For DB Owners - Service Provisioning With Point Code Establishment			QQV			1,592.00	1,177.00	352.36	259.09		11.90			
	CNAM For Non DB Owners - Service Provisioning With Point Code Establishment			QQV			546.51	393.82	358.06	259.09		11.90			
	CNAM for DB Owners, Per Query			QQV		0.001024									
	CNAM for Non DB Owners, Per Query			QQV		0.001024									
LNP Query Service															
	LNP Charge Per query			QQV		0.000852									
	LNP Service Establishment Manual						13.83	13.83	12.71	12.71		11.90			
	LNP Service Provisioning with Point Code Establishment						655.50	334.88	297.03	218.40		11.90			
OPERATOR CALL PROCESSING															
	Oper. Call Processing - Oper. Provided, Per Min. - Using BST LIDB					1.20									
	Oper. Call Processing - Oper. Provided, Per Min. - Using Foreign LIDB					1.24									
	Oper. Call Processing - Fully Automated, per Call - Using BST LIDB					0.20									
	Oper. Call Processing - Fully Automated, per Call - Using Foreign LIDB					0.20									
INWARD OPERATOR SERVICES															
	Inward Operator Services - Verification, Per Call					1.00									
	Inward Operator Services - Verification and Emergency Interrupt - Per Call					1.95									
BRANDING - OPERATOR CALL PROCESSING															
	Facility based CLEC														
	Recording of Custom Branded OA Announcement				CBAOS		7,000.00	7,000.00				11.90			
	Loading of Custom Branded OA Announcement per shelf/NAV per OCN				CBAOL		500.00	500.00				11.90			
	UNEP CLEC														
	Recording of Custom Branded OA Announcement						7,000.00	7,000.00				11.90			
	Loading of Custom Branded OA Announcement per shelf/NAV per OCN						500.00	500.00				11.90			
	Unbranding via OLNS for UNEP CLEC														
	Loading of OA per OCN (Regional)						1,200.00	1,200.00				11.90			
DIRECTORY ASSISTANCE SERVICES															
	DIRECTORY ASSISTANCE ACCESS SERVICE														
	Directory Assistance Access Service Calls, Charge Per Call					0.275									
	DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE (DACC)														
	Directory Assistance Call Completion Access Service (DACC), Per Call Attempt					0.10									
DIRECTORY ASSISTANCE SERVICES															
	DIRECTORY ASSISTANCE DATA BASE SERVICE (DADS)														
	Directory Assistance Data Base Service Charge Per Listing					0.04									
	Directory Assistance Data Base Service, per month				DBSOF	150.00									
BRANDING - DIRECTORY ASSISTANCE															

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS		Inter m	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
							Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
								First	Add'l	First	Add'l	SOMEK	SOMAN	SOMAN	SOMAN	SOMAN
	Facility Based CLEC															
	Recording and Provisioning of DA Custom Branded Announcement				AMT	CBADA		6,000.00	6,000.00				11.90			
	Loading of Custom Branded Announcement per Switch				AMT	CBADC		1,170.00	1,170.00				11.90			
	UNEP CLEC															
	Recording of DA Custom Branded Announcement							3,000.00	3,000.00				11.90			
	Loading of DA Custom Branded Announcement per Switch per OCN							1,170.00	1,170.00				11.90			
	Unbranding via OLNS for UNEP CLEC															
	Loading of DA per OCN (1 OCN per Order)							420.00	420.00				11.90			
	Loading of DA per Switch per OCN							16.00	16.00				11.90			
	SELECTIVE ROUTING															
	Selective Routing Per Unique Line Class Code Per Request Per Switch					USRCR		93.55	93.55	12.71	12.71		11.90			
	VIRTUAL COLLOCATION															
					UEANL,UEA,UDN,U DC,UAL,UHL,UCL,U EQ, AMTFS, UDL, UNCVX, UNCDX, UNCNX											
	Virtual Collocation - 2-wire Cross Connects (loop)					UEAC2	0.0502	11.57	11.57				11.90			
					UEA,UHL,UCL,UDL, AMTFS, UAL, UDN, UNCVX, UNCDX											
	Virtual Collocation - 4-wire Cross Connects (loop)					UEAC4	0.0502	11.57	11.57				11.90			
	Virtual Collocation - Co-Carrier Cross Connects - Fiber Cable Support Structure, per linear foot				AMTFS,CLO	VE1CB	0.0028									
	Virtual Collocation - Co-Carrier Cross Connects - Copper/Coax Cable Support Structure, per linear ft				AMTFS, CLO	VE1CD	0.0041									
	Virtual Collocation - Co-Carrier Cross Connects - Fiber Cable Support Structure,per cable				AMTFS	VE1CC		535.54					11.90			
	Virtual Collocation - Co-Carrier Cross Connects - Copper/Coax Cable Support Structure, per cable				AMTFS	VE1CE		535.54					11.90			
	Virtual Collocation Cable Records - per request				AMTFS	VE1BA		1,525.00	1,525.00	267.08	267.08					
	Virtual Collocation Cable Records - VG/DS0 Cable, per cable record				AMTFS	VE1BB		656.50	656.50	379.78	379.78					
	Virtual Collocation Cable Records - VG/DS0 Cable, per each 100 pair				AMTFS	VE1BC		9.66	9.66	11.84	11.84					
	Virtual Collocation Cable Records - DS1, per T1TIE				AMTFS	VE1BD		4.52	4.52	5.54	5.54					
	Virtual Collocation Cable Records - DS3, per T3TIE				AMTFS	VE1BE		15.82	15.82	19.40	19.40					
	Virtual Collocation Cable Records - Fiber Cable, per 99 fiber records				AMTFS	VE1BF		169.67	169.67	154.89	154.89					
	Virtual collocation - Security Escort - Basic, per quarter hour				AMTFS	SPTBQ		10.89					11.90			
	Virtual collocation - Security Escort - Overtime, per quarter hour				AMTFS	SPTOQ		13.64					11.90			
	Virtual collocation - Security Escort - Premium, per quarter hour				AMTFS	SPTPQ		16.40					11.90			
	Virtual Collocation - DS-1/DCS Cross Connects				AMTFS	VE11S	8.09	69.64					11.90			
	Virtual Collocation - DS-1.DSX Cross Connects				AMTFS	VE11X	0.41	69.64					11.90			
	Virtual Collocation - DS-3/DCS Cross Connects, PER CKT				AMTFS	VE13S	56.97	528.00					11.90			
	Virtual Collocation - DS-3/DSC Cross Connects, PER CKT				AMTFS	VE13X	10.06	528.00					11.90			
	Virtual collocation - Maintenance in CO - Basic, per quarter hour				AMTFS	SPTRE		10.89					11.90			
	Virtual collocation - Maintenance in CO - Overtime, per quarter hour				AMTFS	SPTOE		13.64					11.90			
	Virtual collocation - Maintenance in CO - Premium per quarter hour				AMTFS	SPTPE		16.40					11.90			
	VIRTUAL COLLOCATION															
	Virtual Collocation - 2-wire Cross Connect, Exchange Port 2- Wire Analog - Res				UEPSR	VE1R2	0.0502	11.57	11.57				11.90			

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							Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
								First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN
		Virtual Collocation 2-Wire Cross Connect, Exchange Port 2-Wire Line Side PBX Trunk - Bus			UEPSP	VE1R2	0.0502	11.57	11.57				11.90			
		Virtual Collocation 2-Wire Cross Connect, Exchange Port 2-Wire Voice Grade PBX Trunk - Res			UEPSE	VE1R2	0.0502	11.57	11.57				11.90			
		Virtual Collocation 2-Wire Cross Connect, Exchange Port 2-Wire Analog Bus			UEPSB	VE1R2	0.0502	11.57	11.57				11.90			
		Virtual Collocation 2-Wire Cross Connect, Exchnage Port 2-Wire ISDN			UEPSX	VE1R2	0.0502	11.57	11.57				11.90			
		Virtual Collocation 2-Wire Cross Connect, Exchange Port 2-Wire ISDN			UEPTX	VE1R2	0.0502	11.57	11.57				11.90			
		Virtual Collocation 4-Wire Cross Connect, Exchange Port 4-Wire ISDN DS1			UEPEX	VE1R4	0.0502	11.57	11.57				11.90			
VIRTUAL COLLOCATION																
		Virtual Collocation-2 Wire Cross Connects (Loop) for Line Splitting			UEPSR, UEPSB	VE1LS	0.0502	11.57					11.90			
PHYSICAL COLLOCATION																
		Physical Collocation-2 Wire Cross Connects (Loop) for Line Splitting			UEPSR, UEPSB	PE1LS	0.0276	8.22	7.22	5.74	4.58		11.90			
AIN SELECTIVE CARRIER ROUTING																
		Regional Service Establishment			SRC	SRCEC		193,444.00		7,737.00			11.90			
		End Office Establishment			SRC	SRCEO		187.36	187.36	0.69	0.69		11.90			
		Query NRC, per query			SRC		0.0031868									
AIN - BELL SOUTH AIN SMS ACCESS SERVICE																
		AIN SMS Access Service - Service Establishment, Per State, Initial Setup			A1N	CAMSE		43.56	43.56	44.93	44.93		11.90			
		AIN SMS Access Service - Port Connection - Dial/Shared Access			A1N	CAMDP		8.64	8.64	10.03	10.03		11.90			
		AIN SMS Access Service - Port Connection - ISDN Access			A1N	CAM1P		8.64	8.64	10.03	10.03		11.90			
		AIN SMS Access Service - User Identification Codes - Per User ID Code			A1N	CAMAU		38.66	38.66	29.88	29.88		11.90			
		AIN SMS Access Service - Security Card, Per User ID Code, Initial or Replacement			A1N	CAMRC		75.10	75.10	12.93	12.93		11.90			
		AIN SMS Access Service - Storage, Per Unit (100 Kilobytes)					0.0028									
		AIN SMS Access Service - Session, Per Minute					0.7809									
		AIN SMS Access Service - Company Performed Session, Per Minute					0.4609									
AIN - BELL SOUTH AIN TOOLKIT SERVICE																
		AIN Toolkit Service - Service Establishment Charge, Per State, Initial Setup			CAM	BAPSC		43.56	43.56	44.93	44.93		11.90			
		AIN Toolkit Service - Training Session, Per Customer				BAPVX		8,439.00	8,439.00				11.90			
		AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, Term, Attempt				BAPTT		8.64	8.64	10.03	10.03		11.90			
		AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, Off-Hook Delay				BAPTD		8.64	8.64	10.03	10.03		11.90			
		AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, Off-Hook Immediate				BAPTM		8.64	8.64	10.03	10.03		11.90			
		AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, 10-Digit PODP				BAPTO		38.06	38.06	15.86	15.86		11.90			
		AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, CDP				BAPTC		38.06	38.06	15.86	15.86		11.90			
		AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, Feature Code				BAPTF		38.06	38.06	15.86	15.86		11.90			
		AIN Toolkit Service - Query Charge, Per Query					0.0535927									
		AIN Toolkit Service - Type 1 Node Charge, Per AIN Toolkit Subscription, Per Node, Per Query					0.0063698									
		AIN Toolkit Service - SCP Storage Charge, Per SMS Access Account, Per 100 Kilobytes					0.06									
		AIN Toolkit Service - Monthly report - Per AIN Toolkit Service Subscription			CAM	BAPMS	8.34	8.64	8.64	6.08	6.08		11.90			

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B			
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect				OSS Rates(\$)			
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	AIN Toolkit Service - Special Study - Per AIN Toolkit Service Subscription			CAM	BAPLS	3.73	9.56	9.56				11.90				
	AIN Toolkit Service - Call Event Report - Per AIN Toolkit Service Subscription			CAM	BAPDS	4.73	8.64	8.64	6.08	6.08		11.90				
	AIN Toolkit Service - Call Event Special Study - Per AIN Toolkit Service Subscription			CAM	BAPES	0.12	9.56	9.56				11.90				
ENHANCED EXTENDED LINK (EELs)																
NOTE: Charlotte-Gastonia-Rockhill, NC; Greensboro-Winston Salem-High Point, NC; and Nashville, TN.																
NOTE: In all states, EEL network elements shown below also apply to currently combined facilities which are converted to UNE rates. A Switch As Is Charge applies to currently combined facilities converted to UNEs.(Non-recurring rates do not apply.)																
NOTE: In All States the EEL network elements apply to ordinarily combined network elements.(No Switch As Is Charge.) When ordering ordinarily combined network elements, Non-recurring rates do apply.																
2-WIRE VOICE GRADE EXTENDED LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT (EEL)																
	First 2-Wire VG Loop(SL2) in a DS1 Interofficed Transport Combination - Zone 1		1	UNCVX	UEAL2	12.24	127.59	60.54	42.79	2.81		11.90				
	First 2-Wire VG Grade Loop(SL2) in a DS1 Interofficed Transport Combination - Zone 2		2	UNCVX	UEAL2	17.40	127.59	60.54	42.79	2.81		11.90				
	First 2-Wire VG Grade Loop(SL2) in a DS1 Interofficed Transport Combination - Zone 3		3	UNCVX	UEAL2	30.87	127.59	60.54	42.79	2.81		11.90				
	Interoffice Transport - Dedicated - DS1 combination - Per Mile per month			UNC1X	1L5XX	0.1856										
	Interoffice Transport - Dedicated - DS1 combination - Facility Termination per month			UNC1X	U1TF1	88.44	174.46	122.46	45.61	17.95		11.90				
	DS1 Channelization System Per Month			UNC1X	MQ1	146.77	51.83	10.75				11.90				
	Voice Grade COCI - DS1 To DS0 Interface - Per Month			UNCVX	1D1VG	1.38	12.16	8.77	6.71	4.84		11.90				
	Each Additional 2-Wire VG Loop(SL 2) in the same DS1 Interoffice Transport Combination - Zone 1		1	UNCVX	UEAL2	12.24	127.59	60.54	42.79	2.81		11.90				
	Each Additional 2-Wire VG Loop(SL2) in the same DS1 Interoffice Transport Combination - Zone 2		2	UNCVX	UEAL2	17.40	127.59	60.54	42.79	2.81		11.90				
	Each Additional 2-Wire VG Loop(SL2) in the same DS1 Interoffice Transport Combination - Zone 3		3	UNCVX	UEAL2	30.87	127.59	60.54	42.79	2.81		11.90				
	Voice Grade COCI - DS1 to DS0 Channel System combination - per month			UNCVX	1D1VG	1.38	12.16	8.77	6.71	4.84		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC1X	UNCCC		8.98	8.98	8.98	8.98		11.90				
4-WIRE VOICE GRADE EXTENDED LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT (EEL)																
	First 4-Wire Analog Voice Grade Loop in a DS1 Interoffice Transport Combination - Zone 1		1	UNCVX	UEAL4	18.89	127.59	60.54	42.79	2.81		11.90				
	First 4-Wire Analog Voice Grade Loop in a DS1 Interoffice Transport Combination - Zone 2		2	UNCVX	UEAL4	26.84	127.59	60.54	42.79	2.81		11.90				
	First 4-Wire Analog Voice Grade Loop in a DS1 Interoffice Transport Combination - Zone 3		3	UNCVX	UEAL4	47.62	127.59	60.54	42.79	2.81		11.90				
	Interoffice Transport - Dedicated - DS1 combination - Per Mile Per Month			UNC1X	1L5XX	0.1856										
	Interoffice Transport - Dedicated - DS1 - Facility Termination Per Month			UNC1X	U1TF1	88.44	174.46	122.46	45.61	17.95		11.90				
	Channelization - Channel System DS1 to DS0 combination Per Month			UNC1X	MQ1	146.77	51.83	10.75				11.90				
	Voice Grade COCI - DS1 to DS0 Channel System combination - per month			UNCVX	1D1VG	1.38	12.16	8.77	6.71	4.84		11.90				
	Additional 4-Wire Analog Voice Grade Loop in same DS1 Interoffice Transport Combination - Zone 1		1	UNCVX	UEAL4	18.89	127.59	60.54	42.79	2.81		11.90				
	Additional 4-Wire Analog Voice Grade Loop in same DS1 Interoffice Transport Combination - Zone 2		2	UNCVX	UEAL4	26.84	127.59	60.54	42.79	2.81		11.90				
	Additional 4-Wire Analog Voice Grade Loop in same DS1 Interoffice Transport Combination - Zone 3		3	UNCVX	UEAL4	47.62	127.59	60.54	42.79	2.81		11.90				
	Voice Grade COCI - DS1 to DS0 Channel System combination - per month			UNCVX	1D1VG	1.38	12.16	8.77	6.71	4.84		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC1X	UNCCC		8.98	8.98	8.98	8.98		11.90				
4-WIRE 56 KBPS EXTENDED DIGITAL LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT (EEL)																

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOMECS	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	First 4-Wire 56Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 1		1	UNCDX	UDL56	22.20	127.59	60.54	42.79	2.81		11.90				
	First 4-Wire 56Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 2		2	UNCDX	UDL56	31.56	127.59	60.54	42.79	2.81		11.90				
	First 4-Wire 56Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 3		3	UNCDX	UDL56	55.99	127.59	60.54	42.79	2.81		11.90				
	Interoffice Transport - Dedicated - DS1 combination - Per Mile Per Month			UNC1X	1L5XX	0.1856										
	Interoffice Transport - Dedicated - DS1 - combination Facility Termination Per Month			UNC1X	U1TF1	88.44	174.46	122.46	45.61	17.95		11.90				
	Channelization - Channel System DS1 to DS0 combination Per Month			UNC1X	MQ1	146.77	51.83	10.75				11.90				
	OCU-DP COCI (data) - DS1 to DS0 Channel System - per month (2.4-64kbs)			UNCDX	1D1DD	2.10	12.16	8.77	6.71	4.84		11.90				
	Additional 4-Wire 56Kbps Digital Grade Loop in same DS1 Interoffice Transport Combination - Zone 1		1	UNCDX	UDL56	22.20	127.59	60.54	42.79	2.81		11.90				
	Additional 4-Wire 56Kbps Digital Grade Loop in same DS1 Interoffice Transport Combination - Zone 2		2	UNCDX	UDL56	31.56	127.59	60.54	42.79	2.81		11.90				
	Additional 4-Wire 56Kbps Digital Grade Loop in same DS1 Interoffice Transport Combination - Zone 3		3	UNCDX	UDL56	55.99	127.59	60.54	42.79	2.81		11.90				
	OCU-DP COCI (data) - DS1 to DS0 Channel System - combination per month (2.4-64kbs)			UNCDX	1D1DD	2.10	12.16	8.77	6.71	4.84		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC1X	UNCCC		8.98	8.98	8.98	8.98		11.90				
4-WIRE 64 KBPS EXTENDED DIGITAL LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT (EEL)																
	First 4-Wire 64Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 1		1	UNCDX	UDL64	22.20	127.59	60.54	42.79	2.81		11.90				
	First 4-Wire 64Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 2		2	UNCDX	UDL64	31.56	127.59	60.54	42.79	2.81		11.90				
	First 4-Wire 64Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 3		3	UNCDX	UDL64	55.99	127.59	60.54	42.79	2.81		11.90				
	Interoffice Transport - Dedicated - DS1 combination - Per Mile Per Month			UNC1X	1L5XX	0.1856										
	Interoffice Transport - Dedicated - DS1 combination - Facility Termination Per Month			UNC1X	U1TF1	88.44	174.46	122.46	45.61	17.95		11.90				
	Channelization - Channel System DS1 to DS0 combination Per Month			UNC1X	MQ1	146.77	51.83	10.75				11.90				
	OCU-DP COCI (data) - DS1 to DS0 Channel System combination - per month (2.4-64kbs)			UNCDX	1D1DD	2.10	12.16	8.77	6.71	4.84		11.90				
	Additional 4-Wire 64Kbps Digital Grade Loop in same DS1 Interoffice Transport Combination - Zone 1		1	UNCDX	UDL64	22.20	127.59	60.54	42.79	2.81		11.90				
	Additional 4-Wire 64Kbps Digital Grade Loop in same DS1 Interoffice Transport Combination - Zone 2		2	UNCDX	UDL64	31.56	127.59	60.54	42.79	2.81		11.90				
	Additional 4-Wire 64Kbps Digital Grade Loop in same DS1 Interoffice Transport Combination - Zone 3		3	UNCDX	UDL64	55.99	127.59	60.54	42.79	2.81		11.90				
	OCU-DP COCI (data) - DS1 to DS0 Channel System combination - per month (2.4-64kbs)			UNCDX	1D1DD	2.10	12.16	8.77	6.71	4.84		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC1X	UNCCC		8.98	8.98	8.98	8.98		11.90				
4-WIRE DS1 DIGITAL EXTENDED LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT (EEL)																
	4-Wire DS1 Digital Loop in Combination with DS1 Interoffice Transport - Zone 1		1	UNC1X	USLXX	70.74	217.75	121.62	51.44	14.45		11.90				
	4-Wire DS1 Digital Loop in Combination with DS1 Interoffice Transport - Zone 2		2	UNC1X	USLXX	100.54	217.75	121.62	51.44	14.45		11.90				
	4-Wire DS1 Digital Loop in Combination with DS1 Interoffice Transport - Zone 3		3	UNC1X	USLXX	178.39	217.75	121.62	51.44	14.45		11.90				
	Interoffice Transport - Dedicated - DS1 combination - Per Mile Per Month			UNC1X	1L5XX	0.1856										

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOMECD	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Interoffice Transport - Dedicated - DS1 combination - Facility Termination Per Month			UNC1X	U1TF1	88.44	174.46	122.46	45.61	17.95		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC1X	UNCCC		8.98	8.98	8.98	8.98		11.90				
4-WIRE DS1 DIGITAL EXTENDED LOOP WITH DEDICATED DS3 INTEROFFICE TRANSPORT (EEL)																
	First DS1Loop in DS3 Interoffice Transport Combination - Zone 1		1	UNC1X	USLXX	70.74	217.75	121.62	51.44	14.45		11.90				
	First DS1Loop in DS3 Interoffice Transport Combination - Zone 2		2	UNC1X	USLXX	100.54	217.75	121.62	51.44	14.45		11.90				
	First DS1Loop in DS3 Interoffice Transport Combination - Zone 3		3	UNC1X	USLXX	178.39	217.75	121.62	51.44	14.45		11.90				
	Interoffice Transport - Dedicated - DS3 combination - Per Mile Per Month			UNC3X	1L5XX	3.87										
	Interoffice Transport - Dedicated - DS3 - Facility Termination per month			UNC3X	U1TF3	1,071.00	314.45	130.88	38.60	18.23		11.90				
	DS3 to DS1 Channel System combination per month			UNC3X	MQ3	211.19	115.60	59.93	5.45	0.00		11.90				
	DS3 Interface Unit (DS1 COCI) combination per month			UNC1X	UC1D1	13.76	12.16	8.77	6.71	4.84		11.90				
	Additional DS1Loop in DS3 Interoffice Transport Combination - Zone 1		1	UNC1X	USLXX	70.74	217.75	121.62	51.44	14.45		11.90				
	Additional DS1Loop in DS3 Interoffice Transport Combination - Zone 2		2	UNC1X	USLXX	100.54	217.75	121.62	51.44	14.45		11.90				
	Additional DS1Loop in DS3 Interoffice Transport Combination - Zone 3		3	UNC1X	USLXX	178.39	217.75	121.62	51.44	14.45		11.90				
	DS3 Interface Unit (DS1 COCI) combination per month			UNC1X	UC1D1	13.76	12.16	8.77	6.71	4.84		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC3X	UNCCC		8.98	8.98	8.98	8.98		11.90				
2-WIRE VOICE GRADE EXTENDED LOOP/ 2 WIRE VOICE GRADE INTEROFFICE TRANSPORT (EEL)																
	2-WireVG Loop used with 2-wire VG Interoffice Transport Combination - Zone 1		1	UNCVX	UEAL2	12.24	127.59	60.54	42.79	2.81		11.90				
	2-WireVG Loop used with 2-wire VG Interoffice Transport Combination - Zone 2		2	UNCVX	UEAL2	17.40	127.59	60.54	42.79	2.81		11.90				
	2-WireVG Loop used with 2-wire VG Interoffice Transport Combination - Zone 3		3	UNCVX	UEAL2	30.87	127.59	60.54	42.79	2.81		11.90				
	Interoffice Transport - Dedicated - 2-wire VG combination - Per Mile Per Month			UNCVX	1L5XX	0.0091										
	Interoffice Transport - Dedicated - 2- Wire Voice Grade combination - Facility Termination per month			UNCVX	U1TV2	25.32	94.70	52.59	50.49	21.53		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNCVX	UNCCC		8.98	8.98	8.98	8.98		11.90				
4-WIRE VOICE GRADE EXTENDED LOOP/ 4 WIRE VOICE GRADE INTEROFFICE TRANSPORT (EEL)																
	4-WireVG Loop used with 4-wire VG Interoffice Transport Combination - Zone 1		1	UNCVX	UEAL4	18.89	127.59	60.54	42.79	2.81		11.90				
	4-WireVG Loop used with 4-wire VG Interoffice Transport Combination - Zone 2		2	UNCVX	UEAL4	26.84	127.59	60.54	42.79	2.81		11.90				
	4-WireVG Loop used with 4-wire VG Interoffice Transport Combination - Zone 3		3	UNCVX	UEAL4	47.62	127.59	60.54	42.79	2.81		11.90				
	Interoffice Transport - Dedicated - 4-wire VG combination - Per Mile Per Month			UNCVX	1L5XX	0.0091										
	Interoffice Transport - Dedicated - 4- Wire Voice Grade combination - Facility Termination per month			UNCVX	U1TV4	22.58	94.70	52.59	50.49	21.53		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNCVX	UNCCC		8.98	8.98	8.98	8.98		11.90				
DS3 DIGITAL EXTENDED LOOP WITH DEDICATED DS3 INTEROFFICE TRANSPORT (EEL)																
	High Capacity Unbundled Local Loop - DS3 combination - Per Mile per month			UNC3X	1L5ND	10.92										
	High Capacity Unbundled Local Loop - DS3 combination - Facility Termination per month			UNC3X	UE3PX	386.88	249.97	162.05	67.10	26.82		11.90				
	Interoffice Transport - Dedicated - DS3 - Per Mile per month			UNC3X	1L5XX	3.87										

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B						
CATEGORY	RATE ELEMENTS					Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
										Rec	Nonrecurring		Nonrecurring Disconnect			OSS Rates(\$)				
											First	Add'l	First	Add'l	SOMECD	SOMAN	SOMAN	SOMAN	SOMAN	
		Interoffice Transport - Dedicated - DS3 combination - Facility Termination per month							UNC3X	U1TF3	1,071.00	314.45	130.88	38.60	18.23		11.90			
		Nonrecurring Currently Combined Network Elements Switch -As-Is Charge							UNC3X	UNCCC		8.98	8.98	8.98	8.98		11.90			
		STS1 DIGITAL EXTENDED LOOP WITH DEDICATED STS1 INTEROFFICE TRANSPORT (EEL)																		
		High Capacity Unbundled Local Loop - STS1 combination - Per Mile per month							UNCSX	1L5ND	10.92									
		High Capacity Unbundled Local Loop - STS1 combination - Facility Termination per month							UNCSX	UDLS1	426.60	249.97	162.05	67.10	26.82		11.90			
		Interoffice Transport - Dedicated - STS1 combination - Per Mile per month							UNCSX	1L5XX	3.87									
		Interoffice Transport - Dedicated - STS1 combination - Facility Termination per month							UNCSX	U1TFS	1,056.00	314.45	130.88	38.60	18.23		11.90			
		Nonrecurring Currently Combined Network Elements Switch -As-Is Charge							UNCSX	UNCCC		8.98	8.98	8.98	8.98		11.90			
		2-WIRE ISDN EXTENDED LOOP WITH DS1 INTEROFFICE TRANSPORT (EEL)																		
		First 2-Wire ISDN Loop in a DS1 Interoffice Combination Transport - Zone 1						1	UNCNX	U1L2X	19.28	127.59	60.60	42.79	2.81		11.90			
		First 2-Wire ISDN Loop in a DS1 Interoffice Combination Transport - Zone 2						2	UNCNX	U1L2X	27.40	127.59	60.60	42.79	2.81		11.90			
		First 2-Wire ISDN Loop in a DS1 Interoffice Combination Transport - Zone 3						3	UNCNX	U1L2X	48.62	127.59	60.60	42.79	2.81		11.90			
		Interoffice Transport - Dedicated - DS1 combination - Per Mile							UNC1X	1L5XX	0.1856									
		Interoffice Transport - Dedicated - DS1 combination - Facility Termination per month							UNC1X	U1TF1	88.44	174.46	122.46	45.61	17.95		11.90			
		Channelization - Channel System DS1 to DS0 combination - per month							UNC1X	MQ1	146.77	51.83	10.75				11.90			
		2-wire ISDN COCI (BRITE) - DS1 to DS0 Channel System combination - per month							UNCNX	UC1CA	3.66	12.16	8.77	6.71	4.84		11.90			
		Additional 2-wire ISDN Loop in same DS1Interoffice Transport Combination - Zone 1						1	UNCNX	U1L2X	19.28	127.59	60.60	42.79	2.81		11.90			
		Additional 2-wire ISDN Loop in same DS1Interoffice Transport Combination - Zone 2						2	UNCNX	U1L2X	27.40	127.59	60.60	42.79	2.81		11.90			
		Additional 2-wire ISDN Loop in same DS1Interoffice Transport Combination - Zone 3						3	UNCNX	U1L2X	48.62	127.59	60.60	42.79	2.81		11.90			
		2-wire ISDN COCI (BRITE) - DS1 to DS0 Channel System combination- per month							UNCNX	UC1CA	3.66	12.16	8.77	6.71	4.84		11.90			
		Nonrecurring Currently Combined Network Elements Switch -As-Is Charge							UNC1X	UNCCC		8.98	8.98	8.98	8.98		11.90			
		4-WIRE DS1 DIGITAL EXTENDED LOOP WITH DEDICATED STS-1 INTEROFFICE TRANSPORT (EEL)																		
		First DS1 Loop in STS1 Interoffice Transport Combination - Zone 1						1	UNC1X	USLXX	70.74	217.75	121.62	51.44	14.45		11.90			
		First DS1 Loop in STS1 Interoffice Transport Combination - Zone 2						2	UNC1X	USLXX	100.54	217.75	121.62	51.44	14.45		11.90			
		First DS1 Loop in STS1 Interoffice Transport Combination - Zone 3						3	UNC1X	USLXX	178.39	217.75	121.62	51.44	14.45		11.90			
		Interoffice Transport - Dedicated - STS1 combination - Per Mile Per Month							UNCSX	1L5XX	3.87									
		Interoffice Transport - Dedicated - STS1 combination - Facility Termination							UNCSX	U1TFS	1,056.00	314.45	130.88	38.60	18.23		11.90			
		STS1 to DS1 Channel System combination per month							UNCSX	MQ3	211.19		3.39							
		DS3 Interface Unit (DS1 COCI) combination per month							UNC1X	UC1D1	13.76	12.16	8.77	6.71	4.84		11.90			
		Additional DS1Loop in STS1 Interoffice Transport Combination - Zone 1						1	UNC1X	USLXX	70.74	217.75	121.62	51.44	14.45		11.90			
		Additional DS1Loop in STS1 Interoffice Transport Combination - Zone 2						2	UNC1X	USLXX	100.54	217.75	121.62	51.44	14.45		11.90			
		Additional DS1Loop in STS1 Interoffice Transport Combination - Zone 3						3	UNC1X	USLXX	178.39	217.75	121.62	51.44	14.45		11.90			
		DS3 Interface Unit (DS1 COCI) combination per month							UNC1X	UC1D1	13.76	12.16	8.77	6.71	4.84		11.90			

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Inter m	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN
	Nonrecurring Currently Combined Network Elements Switch -As- Is Charge			UNCSX	UNCCC		8.98	8.98	8.98	8.98		11.90			
	4-WIRE 56 KBPS DIGITAL EXTENDED LOOP WITH 56 KBPS INTEROFFICE TRANSPORT (EEL)														
	4-wire 56 kbps Loop/4-wire 56 kbps Interoffice Transport Combination - Zone 1		1	UNCDX	UDL56	22.20	127.59	60.54	42.79	2.81		11.90			
	4-wire 56 kbps Loop/4-wire 56 kbps Interoffice Transport Combination - Zone 2		2	UNCDX	UDL56	31.56	127.59	60.54	42.79	2.81		11.90			
	4-wire 56 kbps Loop/4-wire 56 kbps Interoffice Transport Combination - Zone 3		3	UNCDX	UDL56	55.99	127.59	60.54	42.79	2.81		11.90			
	Interoffice Transport - Dedicated - 4-wire 56 kbps combination - Per Mile			UNCDX	1L5XX	0.0091									
	Interoffice Transport - Dedicated - 4-wire 56 kbps combination - Facility Termination			UNCDX	U1TD5	18.44	94.70	52.59	50.49	21.53		11.90			
	Nonrecurring Currently Combined Network Elements Switch -As- Is Charge			UNCDX	UNCCC		8.98	8.98	8.98	8.98		11.90			
	4-WIRE 64 KBPS DIGITAL EXTENDED LOOP WITH 64 KBPS INTEROFFICE TRANSPORT (EEL)														
	4-wire 64 kbps Loop/4-wire 64 kbps Interoffice Transport Combination - Zone 1		1	UNCDX	UDL64	22.20	127.59	60.54	42.79	2.81		11.90			
	4-wire 64 kbps Loop/4-wire 64 kbps Interoffice Transport Combination - Zone 2		2	UNCDX	UDL64	31.56	127.59	60.54	42.79	2.81		11.90			
	4-wire 64 kbps Loop/4-wire 64 kbps Interoffice Transport Combination - Zone 3		3	UNCDX	UDL64	55.99	127.59	60.54	42.79	2.81		11.90			
	Interoffice Transport - Dedicated - 4-wire 64 kbps combination - Per Mile			UNCDX	1L5XX	0.0091									
	Interoffice Transport - Dedicated - 4-wire 64 kbps combination - Facility Termination			UNCDX	U1TD6	18.44	94.70	52.59	50.49	21.53		11.90			
	Nonrecurring Currently Combined Network Elements Switch -As- Is Charge			UNCDX	UNCCC		8.98	8.98	8.98	8.98		11.90			
ADDITIONAL NETWORK ELEMENTS															
	When used as a part of a currently combined facility, the non-recurring charges do not apply, but a Switch As Is charge does apply.														
	When used as ordinarily combined network elements in All States, the non-recurring charges apply and the Switch As Is Charge does not.														
	Nonrecurring Currently Combined Network Elements "Switch As Is" Charge (One applies to each combination)														
	Nonrecurring Currently Combined Network Elements Switch -As- Is Charge - 2 wire/4-Wire VG			UNCVX	UNCCC		8.98	8.98	8.98	8.98		11.90			
	Nonrecurring Currently Combined Network Elements Switch -As- Is Charge - 56/64 kbps			UNCDX	UNCCC		8.98	8.98	8.98	8.98		11.90			
	Nonrecurring Currently Combined Network Elements Switch -As- Is Charge - DS1			UNC1X	UNCCC		8.98	8.98	8.98	8.98		11.90			
	Nonrecurring Currently Combined Network Elements Switch -As- Is Charge - DS3			UNC3X	UNCCC		8.98	8.98	8.98	8.98		11.90			
	Nonrecurring Currently Combined Network Elements Switch -As- Is Charge - STS1			UNCSX	UNCCC		8.98	8.98	8.98	8.98		11.90			
	NOTE: Local Channel - Dedicated Transport - minimum billing period - Below DS3=one month, DS3 and above=four months														
	Local Channel - Dedicated - 2-Wire Voice Grade Zone 1		1	UNCVX	ULDV2	19.66	265.84	46.97	37.63	4.00		11.90			
	Local Channel - Dedicated - 2-Wire Voice Grade Zone 2		2	UNCVX	ULDV2	27.94	265.84	46.97	37.63	4.00		11.90			
	Local Channel - Dedicated - 2-Wire Voice Grade Zone 3		3	UNCXV	ULDV2	49.58	265.84	46.97	37.63	4.00		11.90			
	Local Channel - Dedicated - 4-Wire Voice Grade Zone 1		1	UNCVX	ULDV4	20.45	266.54	47.67	44.22	5.33		11.90			
	Local Channel - Dedicated - 4-Wire Voice Grade Zone 2		2	UNCVX	ULDV4	29.06	266.54	47.67	44.22	5.33		11.90			
	Local Channel - Dedicated - 4-Wire Voice Grade Zone3		3	UNCXV	ULDV4	51.56	266.54	47.67	44.22	5.33		11.90			
	Local Channel - Dedicated - DS1 per month Zone 1		1	UNC1X	ULDF1	36.49	216.65	183.54	24.30	16.95		11.90			
	Local Channel - Dedicated -DS1 Per Month Zone 2		2	UNC1X	ULDF1	51.85	216.65	183.54	24.30	16.95		11.90			
	Local Channel - Dedicated - DS1- Per Month Zone 3		3	UNC1X	ULDF1	92.00	216.65	183.54	24.30	16.95		11.90			
	Local Channel - Dedicated - DS3 - Per Mile per month			UNC3X	1L5NC	8.50									
	Local Channel - Dedicated - DS3 - Facility Termination			UNC3X	ULDF3	531.91	556.37	343.01	139.13	96.84		11.90			
	Local Channel - Dedicated - STS-1- Per Mile per month			UNCSX	1L5NC	8.50									
	Local Channel - Dedicated - STS-1 - Facility Termination			UNCSX	ULDFS	540.69	556.37	343.01	139.13	96.84		11.90			
Optional Features & Functions:															
MULTIPLEXERS															
	Channelization - DS1 to DS0 Channel System			UXTD1	MQ1	146.77	101.42	71.62	11.09	10.49		11.90			

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect			OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMECH	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	OCU-DP COCI (data) - DS1 to DS0 Channel System - per month (2.4-64kbs)			UDL	1D1DD	2.10	10.07	7.08				11.90				
	2-wire ISDN COCI (BRITE) - DS1 to DS0 Channel System - per month			UDN	UC1CA	3.66	10.07	7.08				11.90				
	Voice Grade COCI - DS1 to DS0 Channel System - per month			UEA	1D1VG	1.38	10.07	7.08				11.90				
	DS3 to DS1 Channel System per month			UXTD3	MQ3	211.19	199.28	118.64	40.34	39.07		11.90				
	STS1 to DS1 Channel System per month			UXTS1	MQ3	211.19	199.28	118.64	40.34	39.07		11.90				
	DS3 Interface Unit (DS1 COCI) used with Loop per month			USL	UC1D1	13.76	10.07	7.08				11.90				
	DS3 Interface Unit (DS1 COCI) used with Local Channel per month			ULDD1	UC1D1	13.76	10.07	7.08				11.90				
	DS3 Interface Unit (DS1 COCI) used with Interoffice Channel per month			U1TD1	UC1D1	13.76	10.07	7.08				11.90				
	Sub-Loop Feeder															
	Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Statewide		sw	UNC1X	USBFG											
	Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 1		1	UNC1X	USBFG	42.59	133.77	78.02	85.16	21.21						
	Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 2		2	UNC1X	USBFG	60.53	133.77	78.02	85.16	21.21						
	Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 3		3	UNC1X	USBFG	107.39	133.77	78.02	85.16	21.21						
	Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 4		4	UNC1X	USBFG											
UNBUNDLED LOCAL EXCHANGE SWITCHING(PORTS)																
	Exchange Ports															
NOTE: Although the Port Rate includes all available features in GA, KY, LA & TN, the desired features will need to be ordered using retail USOCs																
	2-WIRE VOICE GRADE LINE PORT RATES (RES)															
	Exchange Ports - 2-Wire Analog Line Port- Res.			UEPSR	UEPRL	1.40	3.74	3.63	1.88	1.80		11.90				
	Exchange Ports - 2-Wire Analog Line Port with Caller ID - Res.			UEPSR	UEPRC	1.40	3.74	3.63	1.88	1.80		11.90				
	Exchange Ports - 2-Wire Analog Line Port outgoing only - Res.			UEPSR	UEPRO	1.40	3.74	3.63	1.88	1.80		11.90				
	Exchange Ports - 2-Wire VG unbundled Florida area calling with Caller ID - Res.			UEPSR	UEPAF	1.40	3.74	3.63	1.88	1.80		11.90				
	Exchange Ports - 2-Wire VG unbundled Florida Residence Area Calling Plan, without Caller ID capability			UEPSR	UEPA9	1.40	3.74	3.63	1.88	1.80		11.90				
	Exchange Ports - 2-Wire VG unbundled Florida extended dialing port for use with CREX7 and Caller ID			UEPSR	UEPA1	1.40	3.74	3.63	1.88	1.80		11.90				
	Exchange Ports - 2-Wire VG unbundled Florida extended dialing port for use with CREX7, without Caller ID capability			UEPSR	UEPA8	1.40	3.74	3.63	1.88	1.80		11.90				
	Exchange Ports - 2-Wire VG unbundled res, low usage line port with Caller ID (LUM)			UEPSR	UEPAP	1.40	3.74	3.63	1.88	1.80		11.90				
	2-Wire voice unbundled Low Usage Line Port without Caller ID Capability			UEPSR	UEPRT	1.40	3.74	3.63	1.88	1.80		11.90				
	Subsequent Activity			UEPSR	USASC	0.00	0.00	0.00				11.90				
	FEATURES															
	All Available Vertical Features			UEPSR	UEPVF	2.26	0.00	0.00				11.90				
	2-WIRE VOICE GRADE LINE PORT RATES (BUS)															
	Exchange Ports - 2-Wire Analog Line Port without Caller ID - Bus			UEPSB	UEPBL	1.40	3.74	3.63	1.88	1.80		11.90				
	Exchange Ports - 2-Wire VG unbundled Line Port with unbundled port with Caller+E484 ID - Bus.			UEPSB	UEPBC	1.40	3.74	3.63	1.88	1.80		11.90				
	Exchange Ports - 2-Wire Analog Line Port outgoing only - Bus.			UEPSB	UEPBO	1.40	3.74	3.63	1.88	1.80		11.90				
	Exchange Ports - 2-Wire VG unbundled incoming only port with Caller ID - Bus			UEPSB	UEPB1	1.40	3.74	3.63	1.88	1.80		11.90				
	2-Wire voice unbundled Incoming Only Port without Caller ID Capability			UEPSB	UEPBE	1.40	3.74	3.63	1.88	1.80		11.90				
	Subsequent Activity			UEPSB	USASC	0.00	0.00	0.00				11.90				
	FEATURES															
	All Available Vertical Features			UEPSB	UEPVF	2.26	0.00	0.00				11.90				
	EXCHANGE PORT RATES (DID & PBX)															
	2-Wire VG Unbundled 2-Way PBX Trunk - Res			UEPSE	UEPRD	1.40	39.06	18.18	12.35	0.7187		11.90				
	2-Wire VG Line Side Unbundled 2-Way PBX Trunk - Bus			UEPSP	UEPPC	1.00	39.06	18.18	12.35	0.7187		11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: B				
CATEGORY	RATE ELEMENTS				Interim	Zone	BCS	USOC	RATES(\$)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
												</							

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN
	Unbundled Remote Call Forwarding Service - Conversion with allowed change (PIC and LPIC)			UEPVB	USACC		0.102	0.102							
UNBUNDLED LOCAL SWITCHING, PORT USAGE															
	End Office Switching (Port Usage)														
	End Office Switching Function, Per MOU					0.0007662									
	End Office Trunk Port - Shared, Per MOU					0.000164									
	Tandem Switching (Port Usage) (Local or Access Tandem)														
	Tandem Switching Function Per MOU					0.0001319									
	Tandem Trunk Port - Shared, Per MOU					0.000235									
	Common Transport														
	Common Transport - Per Mile, Per MOU					0.0000035									
	Common Transport - Facilities Termination Per MOU					0.0004372									
UNBUNDLED PORT/LOOP COMBINATIONS - COST BASED RATES															
Cost Based Rates are applied where BellSouth is required by FCC and/or State Commission rule to provide Unbundled Local Switching or Switch Ports.															
Features shall apply to the Unbundled Port/Loop Combination - Cost Based Rate section in the same manner as they are applied to the Stand-Alone Unbundled Port section of this Rate Exhibit.															
End Office and Tandem Switching Usage and Common Transport Usage rates in the Port section of this rate exhibit shall apply to all combinations of loop/port network elements except for UNE Coin Port/Loop Combinations.															
The first and additional Port nonrecurring charges apply to Not Currently Combined Combos. For Currently Combined Combos the nonrecurring charges shall be those identified in the Nonrecurring - Currently Combined sections.															
2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (RES)															
UNE Port/Loop Combination Rates															
	2-Wire VG Loop/Port Combo - Zone 1		1			10.94									
	2-Wire VG Loop/Port Combo - Zone 2		2			15.05									
	2-Wire VG Loop/Port Combo - Zone 3		3			25.80									
UNE Loop Rates															
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPRX	UEPLX	9.77									
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPRX	UEPLX	13.88									
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPRX	UEPLX	24.63									
2-Wire Voice Grade Line Port Rates (Res)															
	2-Wire voice unbundled port - residence			UEPRX	UEPRL	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire voice unbundled port with Caller ID - res			UEPRX	UEPRC	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire voice unbundled port outgoing only - res			UEPRX	UEPRO	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire voice unbundled Florida Area Calling with Caller ID - res			UEPRX	UEPAF	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire voice unbundles res, low usage line port with Caller ID (LUM)			UEPRX	UEPAP	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire voice unbundled Florida extended dialing port for use with CREX7 and Caller ID			UEPRX	UEPA1	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire voice unbundled Florida extended dialing port for use with CREX7, without Caller ID capability			UEPRX	UEPA8	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire voice unbundled Florida Area Calling Port without Caller ID Capability			UEPRX	UEPA9	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire voice unbundled Low Usage Line Port without Caller ID Capability			UEPRX	UEPRT	1.17	53.31	26.46	27.50	8.37		11.90			
FEATURES															
	All Features Offered			UEPRX	UEPVF	2.26	0.00	0.00				11.90			
LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPRX	LNPCX	0.35									
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED															
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch-as-is			UEPRX	USAC2		0.102	0.102				11.90			
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch with change			UEPRX	USACC		0.102	0.102				11.90			
ADDITIONAL NRCs															
	2-Wire Voice Grade Loop/Line Port Combination - Subsequent Activity			UEPRX	USAS2	0.00	0.00	0.00				11.90			
2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS)															
UNE Port/Loop Combination Rates															
	2-Wire VG Loop/Port Combo - Zone 1		1			10.94									
	2-Wire VG Loop/Port Combo - Zone 2		2			15.05									
	2-Wire VG Loop/Port Combo - Zone 3		3			25.80									

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l			
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMEC	SOMAN			
	UNE Loop Rates										SOMAN	SOMAN			
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPBX	UEPLX	9.77									
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPBX	UEPLX	13.88									
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPBX	UEPLX	24.63									
	2-Wire Voice Grade Line Port (Bus)														
	2-Wire voice unbundled port without Caller ID - bus			UEPBX	UEPBL	1.17	53.31	26.46	27.50	8.37	11.90				
	2-Wire voice unbundled port with Caller + E484 ID - bus			UEPBX	UEPBC	1.17	53.31	26.46	27.50	8.37	11.90				
	2-Wire voice unbundled port outgoing only - bus			UEPBX	UEPBO	1.17	53.31	26.46	27.50	8.37	11.90				
	2-Wire voice unbundled incoming only port with Caller ID - Bus			UEPBX	UEPB1	1.17	53.31	26.46	27.50	8.37	11.90				
	2-Wire voice unbundled Incoming Only Port without Caller ID Capability			UEPBX	UEPBE	1.17	53.31	26.46	27.50	8.37	11.90				
	LOCAL NUMBER PORTABILITY														
	Local Number Portability (1 per port)			UEPBX	LNPCX	0.35									
	FEATURES														
	All Features Offered			UEPBX	UEPVF	2.26	0.00	0.00			11.90				
	NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED														
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch-as-is			UEPBX	USAC2		0.102	0.102			11.90				
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch with change			UEPBX	USACC		0.102	0.102			11.90				
	ADDITIONAL NRCs														
	2-Wire Voice Grade Loop/Line Port Combination - Subsequent Activity			UEPBX	USAS2		0.00	0.00			11.90				
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (RES - PBX)														
	UNE Port/Loop Combination Rates														
	2-Wire VG Loop/Port Combo - Zone 1		1			10.94									
	2-Wire VG Loop/Port Combo - Zone 2		2			15.05									
	2-Wire VG Loop/Port Combo - Zone 3		3			25.80									
	UNE Loop Rates														
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEPRG	UEPLX	9.77									
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEPRG	UEPLX	13.88									
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEPRG	UEPLX	24.63									
	2-Wire Voice Grade Line Port Rates (RES - PBX)														
	2-Wire VG Unbundled Combination 2-Way PBX Trunk Port - Res			UEPRG	UEPRD	1.17	174.81	100.65	75.88	12.73	11.90				
	LOCAL NUMBER PORTABILITY														
	Local Number Portability (1 per port)			UEPRG	LNPCP	0.00	0.00	0.00			11.90				
	FEATURES														
	All Features Offered			UEPRG	UEPVF	2.26	0.00	0.00			11.90				
	NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED														
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Conversion - Switch-As-Is			UEPRG	USAC2		8.45	1.91			11.90				
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Conversion - Switch with Change			UEPRG	USACC		8.45	1.91			11.90				
	ADDITIONAL NRCs														
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Subsequent Activity			UEPRG	USAS2	0.00	0.00	0.00			11.90				
	PBX Subsequent Activity - Change/Rearrange Multiline Hunt Group						7.86	7.86			11.90				
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS - PBX)														
	UNE Port/Loop Combination Rates														
	2-Wire VG Loop/Port Combo - Zone 1		1			10.94									
	2-Wire VG Loop/Port Combo - Zone 2		2			15.05									
	2-Wire VG Loop/Port Combo - Zone 3		3			25.80									
	UNE Loop Rates														
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEPPX	UEPLX	9.77									
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEPPX	UEPLX	13.88									
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEPPX	UEPLX	24.63									
	2-Wire Voice Grade Line Port Rates (BUS - PBX)														

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect				OSS Rates(\$)			
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Line Side Unbundled Combination 2-Way PBX Trunk Port - Bus			UEPPX	UEPPC	1.17	174.81	100.65	75.88	12.73		11.90				
	Line Side Unbundled Outward PBX Trunk Port - Bus			UEPPX	UEPPO	1.17	174.81	100.65	75.88	12.73		11.90				
	Line Side Unbundled Incoming PBX Trunk Port - Bus			UEPPX	UEPP1	1.17	174.81	100.65	75.88	12.73		11.90				
	2-Wire Voice Unbundled PBX LD Terminal Ports			UEPPX	UEPLD	1.17	174.81	100.65	75.88	12.73		11.90				
	2-Wire Voice Unbundled 2-Way Combination PBX Usage Port			UEPPX	UEPXA	1.17	174.81	100.65	75.88	12.73		11.90				
	2-Wire Voice Unbundled PBX Toll Terminal Hotel Ports			UEPPX	UEPXB	1.17	174.81	100.65	75.88	12.73		11.90				
	2-Wire Voice Unbundled PBX LD DDD Terminals Port			UEPPX	UEPXC	1.17	174.81	100.65	75.88	12.73		11.90				
	2-Wire Voice Unbundled PBX LD Terminal Switchboard Port			UEPPX	UEPXD	1.17	174.81	100.65	75.88	12.73		11.90				
	2-Wire Voice Unbundled PBX LD Terminal Switchboard IDD Capable Port			UEPPX	UEPXE	1.17	174.81	100.65	75.88	12.73		11.90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Administrative Calling Port			UEPPX	UEPXL	1.17	174.81	100.65	75.88	12.73		11.90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Room Calling Port			UEPPX	UEPXM	1.17	174.81	100.65	75.88	12.73		11.90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Hotel/Hospital Discount Room Calling Port			UEPPX	UEPXO	1.17	174.81	100.65	75.88	12.73		11.90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Measured Port			UEPPX	UEPXS	1.17	174.81	100.65	75.88	12.73		11.90				
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPPX	LNPCP	3.15	0.00	0.00				11.90				
FEATURES																
	All Features Offered			UEPPX	UEPVF	2.26	0.00	0.00				11.90				
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED																
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Conversion - Switch-As-Is			UEPPX	USAC2		8.45	1.91				11.90				
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Conversion - Switch with Change			UEPPX	USACC		8.45	1.91				11.90				
ADDITIONAL NRCs																
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Subsequent Activity			UEPPX	USAS2	0.00	0.00	0.00				11.90				
	PBX Subsequent Activity - Change/Rearrange Multiline Hunt Group						7.86	7.86				11.90				
2-WIRE VOICE GRADE LOOP WITH 2-WIRE ANALOG LINE COIN PORT																
UNE Port/Loop Combination Rates																
	2-Wire VG Coin Port/Loop Combo -- Zone 1		1			10.94										
	2-Wire VG Coin Port/Loop Combo -- Zone 2		2			15.05										
	2-Wire VG Coin Port/Loop Combo -- Zone 3		3			25.80										
UNE Loop Rates																
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPCO	UEPLX	9.77										
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPCO	UEPLX	13.88										
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPCO	UEPLX	24.63										
2-Wire Voice Grade Line Ports (COIN)																
	2-Wire Coin 2-Way with Operator Screening and Blocking: 011, 900/976, 1+DDD (FL)			UEPCO	UEP2F	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Coin 2-Way with Operator Screening and 011 Blocking (FL)			UEPCO	UEPFA	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Coin 2-Way with Operator Screening and Blocking: 900/976, 1+DDD, 011+, and Local (FL)			UEPCO	UEPCG	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Coin Outward with Operator Screening and 011 Blocking (AL, FL)			UEPCO	UEPRK	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Coin Outward with Operator Screening and Blocking: 900/976, 1+DDD, 011+ (FL)			UEPCO	UEPOF	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Coin Outward with Operator Screening and Blocking: 900/976, 1+DDD, 011+, and Local (FL, GA)			UEPCO	UEPCQ	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire 2-Way Smartline with 900/976 (all states except LA)			UEPCO	UEPCK	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Coin Outward Smartline with 900/976 (all states except LA)			UEPCO	UEPCR	1.17	53.31	26.46	27.50	8.37		11.90				
ADDITIONAL UNE COIN PORT/LOOP (RC)																
	UNE Coin Port/Loop Combo Usage (Flat Rate)			UEPCO	URECU	1.86	53.31	26.46	27.50	8.37		11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN
LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPCO	LNPCX	0.35									
NONRECURRING CHARGES - CURRENTLY COMBINED															
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch-as-is			UEPCO	USAC2		0.102	0.102				11.90			
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch with change			UEPCO	USACC		0.102	0.102				11.90			
ADDITIONAL NRCs															
	2-Wire Voice Grade Loop/Line Port Combination - Subsequent Activity			UEPCO	USAS2		0.00	0.00				11.90			
2-WIRE VOICE LOOP/ 2WIRE VOICE GRADE IO TRANSPORT/ 2-WIRE LINE PORT (RES)															
UNE Port/Loop Combination Rates															
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			13.64									
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			18.80									
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			32.27									
UNE Loop Rates															
	2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFR	UECF2	12.24									
	2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFR	UECF2	17.40									
	2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFR	UECF2	30.87									
2-Wire Voice Grade Line Port Rates (Res)															
	2-Wire voice unbundled port - residence			UEPFR	UEPRL	1.40	174.81	100.65	75.88	12.73		11.90			
	2-Wire voice unbundled port with Caller ID - res			UEPFR	UEPRC	1.40	174.81	100.65	75.88	12.73		11.90			
	2-Wire voice unbundled port outgoing only - res			UEPFR	UEPRO	1.40	174.81	100.65	75.88	12.73		11.90			
	2-Wire voice unbundled Florida Area Calling with Caller ID - res			UEPFR	UEPAF	1.40	174.81	100.65	75.88	12.73		11.90			
	2-Wire voice unbundles res, low usage line port with Caller ID (LUM)			UEPFR	UEPAP	1.40	174.81	100.65	75.88	12.73		11.90			
INTEROFFICE TRANSPORT															
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFR	U1TV2	25.32	47.35	31.78							
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFR	1L5XX	0.0091									
FEATURES															
	All Features Offered			UEPFR	UEPVF	2.26	0.00	0.00				11.90			
LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPFR	LNPCX	0.35									
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED															
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFR	USAC2		16.97	3.73				11.90			
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-With-Change			UEPFR	USACC		16.97	3.73				11.90			
2-WIRE VOICE LOOP/ 2WIRE VOICE GRADE IO TRANSPORT/ 2-WIRE LINE PORT (BUS)															
UNE Port/Loop Combination Rates															
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			13.64									
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			18.80									
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			32.27									
UNE Loop Rates															
	2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFB	UECF2	12.24									
	2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFB	UECF2	17.40									
	2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFB	UECF2	30.87									
2-Wire Voice Grade Line Port (Bus)															
	2-Wire voice unbundled port without Caller ID - bus			UEPFB	UEPBL	1.40	174.81	100.65	75.88	12.73		11.90			
	2-Wire voice unbundled port with Caller + E484 ID - bus			UEPFB	UEPBC	1.40	174.81	100.65	75.88	12.73		11.90			
	2-Wire voice unbundled port outgoing only - bus			UEPFB	UEPBO	1.40	174.81	100.65	75.88	12.73		11.90			
	2-Wire voice unbundled incoming only port with Caller ID - Bus			UEPFB	UEPB1	1.40	174.81	100.65	75.88	12.73		11.90			
LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPFB	LNPCX	0.35									
INTEROFFICE TRANSPORT															

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS		Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
							Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
								First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
		Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFB	U1TV2	25.32	47.35	31.78								
		Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFB	1L5XX	0.0091										
FEATURES																	
		All Features Offered			UEPFB	UEPVF	2.26	0.00	0.00				11.90				
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED																	
		2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFB	USAC2		16.97	3.73				11.90				
		2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch with change			UEPFB	USACC		16.97	3.73				11.90				
2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS - PBX)																	
UNE Port/Loop Combination Rates																	
		2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			13.64										
		2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			18.80										
		2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			32.27										
UNE Loop Rates																	
		2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFP	UECF2	12.24										
		2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFP	UECF2	17.40										
		2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFP	UECF2	30.87										
2-Wire Voice Grade Line Port Rates (BUS - PBX)																	
		Line Side Unbundled Combination 2-Way PBX Trunk Port - Bus			UEPFP	UEPPC	1.40	174.81	100.65	75.88	12.73		11.90				
		Line Side Unbundled Outward PBX Trunk Port - Bus			UEPFP	UEPPO	1.40	174.81	100.65	75.88	12.73		11.90				
		Line Side Unbundled Incoming PBX Trunk Port - Bus			UEPFP	UEPP1	1.40	174.81	100.65	75.88	12.73		11.90				
		2-Wire Voice Unbundled PBX LD Terminal Ports			UEPFP	UEPLD	1.40	174.81	100.65	75.88	12.73		11.90				
		2-Wire Voice Unbundled 2-Way Combination PBX Usage Port			UEPFP	UEPXA	1.40	174.81	100.65	75.88	12.73		11.90				
		2-Wire Voice Unbundled PBX Toll Terminal Hotel Ports			UEPFP	UEPXB	1.40	174.81	100.65	75.88	12.73		11.90				
		2-Wire Voice Unbundled PBX LD DDD Terminals Port			UEPFP	UEPXC	1.40	174.81	100.65	75.88	12.73		11.90				
		2-Wire Voice Unbundled PBX LD Terminal Switchboard Port			UEPFP	UEPXD	1.40	174.81	100.65	75.88	12.73		11.90				
		2-Wire Voice Unbundled PBX LD Terminal Switchboard IDD Capable Port			UEPFP	UEPXE	1.40	174.81	100.65	75.88	12.73		11.90				
		2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Administrative Calling Port			UEPFP	UEPXL	1.40	174.81	100.65	75.88	12.73		11.90				
		2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Room Calling Port			UEPFP	UEPXM	1.40	174.81	100.65	75.88	12.73		11.90				
		2-Wire Voice Unbundled 1-Way Outgoing PBX Hotel/Hospital Discount Room Calling Port			UEPFP	UEPXO	1.40	174.81	100.65	75.88	12.73		11.90				
		2-Wire Voice Unbundled 1-Way Outgoing PBX Measured Port			UEPFP	UEPXS	1.40	174.81	100.65	75.88	12.73		11.90				
LOCAL NUMBER PORTABILITY																	
		Local Number Portability (1 per port)			UEPFP	LNPCP	3.15	0.00	0.00				11.90				
INTEROFFICE TRANSPORT																	
		Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFP	U1TV2	25.32	47.35	31.78								
		Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFP	1L5XX	0.0091										
FEATURES																	
		All Features Offered			UEPFP	UEPVF	2.26	0.00	0.00				11.90				
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED																	
		2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFP	USAC2		16.97	3.73				11.90				
		2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch with change			UEPFP	USACC		16.97	3.73				11.90				
UNBUNDLED PORT/LOOP COMBINATIONS - COST BASED RATES																	
2-WIRE VOICE GRADE LOOP- BUS ONLY - WITH 2-WIRE DID TRUNK PORT																	
UNE Port/Loop Combination Rates																	
		2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 1		1			20.95										
		2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 2		2			26.11										
		2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 3		3			39.58										

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	UNE Loop Rates															
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 1		1	UEPPX	UECD1	12.24						11.90				1.83
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 2		2	UEPPX	UECD1	17.40						11.90				1.83
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 3		3	UEPPX	UECD1	30.87						11.90				1.83
	UNE Port Rate															
	Exchange Ports - 2-Wire DID Port			UEPPX	UEPD1	8.71	214.16	98.29				11.90				1.83
	NONRECURRING CHARGES - CURRENTLY COMBINED															
	2-Wire Voice Grade Loop / 2-Wire DID Trunk Port Combination - Switch-as-is			UEPPX	USAC1		7.85	1.87				11.90				
	2-Wire Voice Grade Loop / 2-Wire DID Trunk Port Conversion with BellSouth Allowable Changes			UEPPX	USA1C		7.85	1.87				11.90				
	ADDITIONAL NRCs															
	2-Wire DID Subsequent Activity - Add Trunks, Per Trunk			UEPPX	USAS1		32.26	32.26				11.90				
	Telephone Number/Trunk Group Establishment Charges															
	DID Trunk Termination (One Per Port)			UEPPX	NDT	0.00	0.00	0.00				11.90				1.83
	DID Numbers, Establish Trunk Group and Provide First Group of 20 DID Numbers			UEPPX	NDZ	0.00	0.00	0.00				11.90				1.83
	Additional DID Numbers for each Group of 20 DID Numbers			UEPPX	ND4	0.00	0.00	0.00				11.90				1.83
	DID Numbers, Non- consecutive DID Numbers , Per Number			UEPPX	ND5	0.00	0.00	0.00				11.90				1.83
	Reserve Non-Consecutive DID numbers			UEPPX	ND6	0.00	0.00	0.00				11.90				1.83
	Reserve DID Numbers			UEPPX	NDV	0.00	0.00	0.00				11.90				1.83
	LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPPX	LNPCP	3.15	0.00	0.00								
	2-WIRE ISDN DIGITAL GRADE LOOP WITH 2-WIRE ISDN DIGITAL LINE SIDE PORT															
	UNE Port/Loop Combination Rates															
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 1		1	UEPPB	UEPPR	22.63										
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 2		2	UEPPB	UEPPR	29.05										
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 3		3	UEPPB	UEPPR	45.84										
	UNE Loop Rates															
	2-Wire ISDN Digital Grade Loop - UNE Zone 1		1	UEPPB	UEPPR	USL2X	15.25					11.90				1.83
	2-Wire ISDN Digital Grade Loop - UNE Zone 2		2	UEPPB	UEPPR	USL2X	21.67					11.90				1.83
	2-Wire ISDN Digital Grade Loop - UNE Zone 3		3	UEPPB	UEPPR	USL2X	38.46					11.90				1.83
	UNE Port Rate															
	Exchange Port - 2-Wire ISDN Line Side Port			UEPPB	UEPPR	UEPPB	7.38	194.52	145.09			11.09				1.83
	NONRECURRING CHARGES - CURRENTLY COMBINED															
	2-Wire ISDN Digital Grade Loop / 2-Wire ISDN Line Side Port Combination - Conversion			UEPPB	UEPPR	USACB	0.00	25.22	17.00			11.90				1.83
	ADDITIONAL NRCs															
	LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPPB	UEPPR	LNPCX	0.35	0.00	0.00							
	B-CHANNEL USER PROFILE ACCESS:															
	CVS/CSD (DMS/SESS)			UEPPB	UEPPR	U1UCA	0.00	0.00	0.00							
	CVS (EWSD)			UEPPB	UEPPR	U1UCB	0.00	0.00	0.00							
	CSD			UEPPB	UEPPR	U1UCC	0.00	0.00	0.00							
	B-CHANNEL AREA PLUS USER PROFILE ACCESS: (AL,KY,LA,MS SC,MS, & TN)															
	USER TERMINAL PROFILE															
	User Terminal Profile (EWSD only)			UEPPB	UEPPR	U1UMA	0.00	0.00	0.00							
	VERTICAL FEATURES															
	All Vertical Features - One per Channel B User Profile			UEPPB	UEPPR	UEPVF	2.26	0.00	0.00			11.90				
	INTEROFFICE CHANNEL MILEAGE															
	Interoffice Channel mileage each, including first mile and facilities termination			UEPPB	UEPPR	M1GNC	25.3291	47.35	31.78	18.31	7.03	11.90				1.83
	Interoffice Channel mileage each, additional mile			UEPPB	UEPPR	M1GNM	0.0091	0.00	0.00			11.90				1.83
	4-WIRE DS1 DIGITAL LOOP WITH 4-WIRE ISDN DS1 DIGITAL TRUNK PORT															
	UNE Port/Loop Combination Rates															

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS		Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
							Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
								First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN
		4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 1		1	UEPPP		153.48									
		4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 2		2	UEPPP		183.28									
		4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 3		3	UEPPP		261.12									
UNE Loop Rates																
		4-Wire DS1 Digital Loop - UNE Zone 1		1	UEPPP	USL4P	70.74						11.90			1.83
		4-Wire DS1 Digital Loop - UNE Zone 2		2	UEPPP	USL4P	100.54						11.90			1.83
		4-Wire DS1 Digital Loop - UNE Zone 3		3	UEPPP	USL4P	178.38						11.90			1.83
UNE Port Rate																
		Exchange Ports - 4-Wire ISDN DS1 Port			UEPPP	UEPPP	82.74	488.36	276.65				11.90			1.83
NONRECURRING CHARGES - CURRENTLY COMBINED																
		4-Wire DS1 Digital Loop / 4-Wire ISDN DS1 Digital Trunk Port Combination - Conversion -Switch-as-is			UEPPP	USACP	0.00	84.17	61.38				11.90			1.83
ADDITIONAL NRCs																
		4-Wire DS1 Loop/4-W ISDN Digtl Trk Port - Subsqtl Actvy-Inward/two way Tel Nos. (except NC)			UEPPP	PR7TF		0.5412					11.90			1.83
		4-Wire DS1 Loop / 4-Wire ISDN DS1 Digital Trunk Port - Outward Tel Numbers (All States except NC)			UEPPP	PR7TO		12.71	12.71				11.90			1.83
		4-Wire DS1 Loop / 4-Wire ISDN DS1 Digital Trk Port - Subsequent Inward Tel Numbers			UEPPP	PR7ZT		25.42	25.42				11.90			1.83
LOCAL NUMBER PORTABILITY																
		Local Number Portability (1 per port)			UEPPP	LNPCN	1.75									
INTERFACE (Provisioning Only)																
		Voice/Data			UEPPP	PR71V	0.00	0.00	0.00							
		Digital Data			UEPPP	PR71D	0.00	0.00	0.00							
		Inward Data			UEPPP	PR71E	0.00	0.00	0.00							
New or Additional "B" Channel																
		New or Additional - Voice/Data B Channel			UEPPP	PR7BV	0.00	15.48					11.90			1.83
		New or Additional - Digital Data B Channel			UEPPP	PR7BF	0.00	15.48					11.90			1.83
		New or Additional Inward Data B Channel			UEPPP	PR7BD	0.00	15.48					11.90			1.83
CALL TYPES																
		Inward			UEPPP	PR7C1	0.00	0.00	0.00							
		Outward			UEPPP	PR7C0	0.00	0.00	0.00							
		Two-way			UEPPP	PR7CC	0.00	0.00	0.00							
Interoffice Channel Mileage																
		Fixed Each Including First Mile			UEPPP	1LN1A	88.6256	105.54	98.47	21.47	19.05		11.90			1.93
		Each Airline-Fractional Additional Mile			UEPPP	1LN1B	0.1856									
4-WIRE DS1 DIGITAL LOOP WITH 4-WIRE DDITS TRUNK PORT																
UNE Port/Loop Combination Rates																
		4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 1		1	UEPDC		125.69						11.90			1.83
		4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 2		2	UEPDC		155.49						11.90			1.83
		4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 3		3	UEPDC		233.33						11.90			1.83
UNE Loop Rates																
		4-Wire DS1 Digital Loop - UNE Zone 1		1	UEPDC	USLDC	70.74						11.90			1.83
		4-Wire DS1 Digital Loop - UNE Zone 2		2	UEPDC	USLDC	100.54						11.90			1.83
		4-Wire DS1 Digital Loop - UNE Zone 3		3	UEPDC	USLDC	178.38						11.90			1.83
UNE Port Rate																
		4-Wire DDITS Digital Trunk Port			UEPDC	UDD1T	54.95	464.86	259.23				11.90			1.83
NONRECURRING CHARGES - CURRENTLY COMBINED																
		4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Switch-as-is			UEPDC	USAC4		95.31	46.71				11.90			1.83
		4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Conversion with DS1 Changes			UEPDC	USAWA		95.31	46.71				11.90			1.83
		4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Conversion with Change - Trunk			UEPDC	USAWB		95.31	46.71				11.90			1.83
ADDITIONAL NRCs																

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Inter m	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect			OSS Rates(\$)			
							First	Add'l	First	Add'l	SOMECD	SOMAN	SOMAN	SOMAN	SOMAN
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - NRC - Subsequent Channel Activation/Chan - 2-Way Trunk			UEPDC	UDTTA		15.69	15.69				11.90		1.83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsequent Channel Activation/Chan - 1-Way Outward Trunk			UEPDC	UDTTB		15.69	15.69				11.90		1.83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Channel Activation/Chan Inward Trunk w/out DID			UEPDC	UDTTC		15.69	15.69				11.90		1.83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Chan Activation Per Chan - Inward Trunk with DID			UEPDC	UDTTD		15.69	15.69				11.90		1.83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Chan Activation / Chan - 2-Way DID w User Trans			UEPDC	UDTTE		15.69	15.69				11.90		1.83	
BIPOLAR 8 ZERO SUBSTITUTION															
	B8ZS - Superframe Format			UEPDC	CCOSF		0.00	655.00				11.90		1.83	
	B8ZS - Extended Superframe Format			UEPDC	CCOEF		0.00	655.00				11.90		1.83	
Alternate Mark Inversion															
	AMI - Superframe Format			UEPDC	MCOSF		0.00	0.00							
	AMI - Extended SuperFrame Format			UEPDC	MCOPO		0.00	0.00							
Telephone Number/Trunk Group Establishment Charges															
	Telephone Number for 2-Way Trunk Group			UEPDC	UDTGX	0.00						11.90		1.83	
	Telephone Number for 1-Way Outward Trunk Group			UEPDC	UDTGY	0.00						11.90		1.83	
	Telephone Number for 1-Way Inward Trunk Group Without DID			UEPDC	UDTGZ	0.00						11.90		1.83	
	DID Numbers, Establish Trunk Group and Provide First Group of 20 DID Numbers			UEPDC	NDZ	0.00	0.00	0.00				11.90		1.83	
	DID Numbers for each Group of 20 DID Numbers			UEPDC	ND4	0.00						11.90		1.83	
	DID Numbers, Non- consecutive DID Numbers , Per Number			UEPDC	ND5	0.00						11.90		1.83	
	Reserve Non-Consecutive DID Nos.			UEPDC	ND6	0.00	0.00	0.00				11.90		1.83	
	Reserve DID Numbers			UEPDC	NDV	0.00	0.00	0.00				11.90		1.83	
Dedicated DS1 (Interoffice Channel Mileage) - FX/FCO for 4-Wire DS1 Digital Loop with 4-Wire DDITS Trunk Port															
	Interoffice Channel Mileage - Fixed rate 0-8 miles (Facilities Termination)			UEPDC	1LNO1	88.44	105.54	98.47	21.47	19.05		11.90		1.83	
	Interoffice Channel Mileage - Additional rate per mile - 0-8 miles			UEPDC	1LNOA	0.1856	0.00	0.00							
	Interoffice Channel Mileage - Fixed rate 9-25 miles (Facilities Termination)			UEPDC	1LNO2	0.00	0.00	0.00							
	Interoffice Channel Mileage - Additional rate per mile - 9-25 miles			UEPDC	1LNOB	0.1856	0.00	0.00							
	Interoffice Channel Mileage - Fixed rate 25+ miles (Facilities Termination)			UEPDC	1LNO3	0.00	0.00	0.00	0.00						
	Interoffice Channel Mileage - Additional rate per mile - 25+ miles			UEPDC	1LNOC	0.1856	0.00	0.00							
	Local Number Portability, per DS0 Activated			UEPDC	LNPCP	3.15	0.00	0.00	0.00						
	Central Office Terminating Point			UEPDC	CTG	0.00									
4-WIRE DS1 LOOP WITH CHANNELIZATION WITH PORT															
System is 1 DS1 Loop, 1 D4 Channel Bank, and up to 24 Feature Activations															
Each System can have up to 24 combinations of rates depending on type and number of ports used															
UNE DS1 Loop															
	4-Wire DS1 Loop - UNE Zone 1		1	UEPMG	USLDC	70.74	0.00	0.00							
	4-Wire DS1 Loop - UNE Zone 2		2	UEPMG	USLDC	100.54	0.00	0.00							
	4-Wire DS1 Loop - UNE Zone 3		3	UEPMG	USLDC	178.38	0.00	0.00							
UNE DS0 Channelization Capacities (D4 Channel Bank Configurations)															
	24 DS0 Channel Capacity - 1 per DS1			UEPMG	VUM24	118.06	0.00	0.00				11.90		1.83	
	48 DS0 Channel Capacity - 1 per 2 DS1s			UEPMG	VUM48	236.12	0.00	0.00				11.90		1.83	
	96 DS0 Channel Capacity -1per 4 DS1s			UEPMG	VUM96	472.24	0.00	0.00				11.90		1.83	
	144 DS0 Channel Capacity - 1 per 6 DS1s			UEPMG	VUM14	708.36	0.00	0.00				11.90		1.83	
	192 DS0 Channel Capacity -1 per 8 DS1s			UEPMG	VUM19	944.48	0.00	0.00				11.90		1.83	
	240 DS0 Channel Capacity - 1 per 10 DS1s			UEPMG	VUM20	1,180.60	0.00	0.00				11.90		1.83	
	288 DS0 Channel Capacity - 1 per 12 DS1s			UEPMG	VUM28	1,416.72	0.00	0.00				11.90		1.83	
	384 DS0 Channel Capacity - 1 per 16 DS1s			UEPMG	VUM38	1,888.96	0.00	0.00				11.90		1.83	
	480 DS0 Channel Capacity - 1 per 20 DS1s			UEPMG	VUM40	2,361.20	0.00	0.00				11.90		1.83	
	576 DS0 Channel Capacity -1 per 24 DS1s			UEPMG	VUM57	2,833.44	0.00	0.00				11.90		1.83	

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS		Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
							Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
								First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN
		672 DS0 Channel Capacity - 1 per 28 DS1s			UEPMG	VUM67	3,305.68	0.00	0.00				11.90			1.83
		Non-Recurring Charges (NRC) Associated with 4-Wire DS1 Loop with Channelization with Port - Conversion Charge Based on a System														
		A Minimum System configuration is One (1) DS1, One (1) D4 Channel Bank, and Up To 24 DS0 Ports with Feature Activations.														
		Multiples of this configuration functioning as one are considered Add'l after the minimum system configuration is counted.														
		NRC - Conversion (Currently Combined) with or without BellSouth Allowed Changes			UEPMG	USAC4	0.00	96.77	4.24				11.90			
		System Additions at End User Locations Where 4-Wire DS1 Loop with Channelization with Port Combination Currently Exists and New (Not Currently Combined) in all states, except in Density Zone 1 of Top 8 MSA's														
		1 DS1/D4 Channel Bank - Additionally Add NRC for each Port and Assoc Fea Activation			UEPMG	VUMD4	0.00	726.11	468.21	145.32	17.24		11.90			
		Bipolar 8 Zero Substitution														
		Clear Channel Capability Format, superframe - Subsequent Activity Only			UEPMG	CCOSF	0.00	0.00	655.00				11.90			
		Clear Channel Capability Format - Extended Superframe - Subsequent Activity Only			UEPMG	CCOEF	0.00	0.00	655.00				11.90			
		Alternate Mark Inversion (AMI)														
		Superframe Format			UEPMG	MCOSF	0.00	0.00	0.00							
		Extended Superframe Format			UEPMG	MCOPO	0.00	0.00	0.00							
		Exchange Ports Associated with 4-Wire DS1 Loop with Channelization with Port Exchange Ports														
		Line Side Combination Channelized PBX Trunk Port - Business			UEPPX	UEPCX	1.38	0.00	0.00	0.00	0.00		11.90			1.83
		Line Side Outward Channelized PBX Trunk Port - Business			UEPPX	UEPOX	1.38	0.00	0.00	0.00	0.00		11.90			1.83
		Line Side Inward Only Channelized PBX Trunk Port without DID			UEPPX	UEP1X	1.38	0.00	0.00	0.00	0.00		11.90			1.83
		2-Wire Trunk Side Unbundled Channelized DID Trunk Port			UEPPX	UEPDM	8.71	0.00	0.00	0.00	0.00		11.90			1.83
		Feature Activations - Unbundled Loop Concentration														
		Feature (Service) Activation for each Line Port Terminated in D4 Bank			UEPPX	1PQWM	0.66	25.40	13.41	3.96	3.93		11.90			1.83
		Feature (Service) Activation for each Trunk Port Terminated in D4 Bank			UEPPX	1PQWU	0.66	78.16	18.42	56.03	10.95		11.90			1.83
		Telephone Number/ Group Establishment Charges for DID Service														
		DID Trunk Termination (1 per Port)			UEPPX	NDT	0.00	0.00	0.00				11.90			
		Estab Trk Grp and Provide 1st 20 DID Nos. (FL,GA, NC,& SC)			UEPPX	NDZ	0.00	0.00	0.00				11.90			
		DID Numbers - groups of 20 - Valid all States			UEPPX	ND4	0.00	0.00	0.00				11.90			
		Non-Consecutive DID Numbers - per number			UEPPX	ND5	0.00	0.00	0.00				11.90			
		Reserve Non-Consecutive DID Numbers			UEPPX	ND6	0.00	0.00	0.00				11.90			
		Reserve DID Numbers			UEPPX	NDV	0.00	0.00	0.00				11.90			
		Local Number Portability														
		Local Number Portability - 1 per port			UEPPX	LNPCP	3.15	0.00	0.00							
		FEATURES - Vertical and Optional														
		Local Switching Features Offered with Line Side Ports Only														
		All Features Available			UEPPX	UEPVF	2.26	0.00	0.00				11.90			1.83
UNBUNDLED PORT LOOP COMBINATIONS - MARKET RATES																
Market Rates shall apply where BellSouth is not required to provide unbundled local switching or switch ports per FCC and/or State Commission rules.																
This includes:																
Unbundled port/loop combinations that are Currently Combined or Not Currently Combined in Zone 1 of the Top 8 MSAs in BellSouth's region for end users with 4 or more DS0 equivalent lines.																
The Top 8 MSAs in BellSouth's region are: FL (Orlando, Ft. Lauderdale, Miami); GA (Atlanta); LA (New Orleans); NC (Greensboro-Winston Salem-Highpoint/Charlotte-Gastonia-Rock Hill); TN (Nashville).																
BellSouth currently is developing the billing capability to mechanically bill the recurring and non-recurring Market Rates in this section except for nonrecurring charges for not currently combined in FL and NC. In the interim where BellSouth cannot bill Market Rates, BellSouth shall bill the rates in the Cost-Based section preceding in lieu of the Market Rates and reserves the right to true-up the billing difference.																
The Market Rate for unbundled ports includes all available features in all states.																
End Office and Tandem Switching Usage and Common Transport Usage rates in the Port section of this rate exhibit shall apply to all combinations of loop/port network elements except for UNE Coin Port/Loop Combinations which have a flat rate usage charge (USOC: URECU).																
For Not Currently Combined scenarios the Nonrecurring charges are listed in the First and Additional NRC columns for each Port USOC. For Currently Combined scenarios, the Nonrecurring charges are listed in the NRC - Currently Combined section.																
Additional NRCs may apply also and are categorized accordingly.																
2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (RES)																
UNE Port/Loop Combination Rates																
2-Wire VG Loop/Port Combo - Zone 1																
2-Wire VG Loop/Port Combo - Zone 2																

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interi m	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMECD	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire VG Loop/Port Combo - Zone 3		3			38.63									
	UNE Loop Rates														
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPRX	UEPLX	9.77									
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPRX	UEPLX	13.88									
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPRX	UEPLX	24.63									
	2-Wire Voice Grade Line Port (Res)														
	2-Wire voice unbundled port - residence			UEPRX	UEPRL	14.00	90.00	90.00				11.90			
	2-Wire voice unbundled port with Caller ID - res			UEPRX	UEPRC	14.00	90.00	90.00				11.90			
	2-Wire voice unbundled port outgoing only - res			UEPRX	UEPRO	14.00	90.00	90.00				11.90			
	2-Wire voice unbundled Florida Area Calling with Caller ID - res			UEPRX	UEPAF	14.00	90.00	90.00				11.90			
	2-Wire voice unbundles res, low usage line port with Caller ID (LUM)			UEPRX	UEPAP	14.00	90.00	90.00				11.90			
	2-Wire voice unbundled Low Usage Line Port without Caller ID Capability			UEPRX	UEPRT	14.00	90.00	90.00				11.90			
	2-Wire voice unbundled Florida extended dialing port for use with CREX7 and Caller ID			UEPRX	UEPA1	14.00	90.00	90.00				11.90			
	2-Wire voice unbundled Florida extended dialing port for use with CREX7, without Caller ID capability			UEPRX	UEPA8	14.00	90.00	90.00				11.90			
	2-Wire voice unbundled Florida Area Calling Port without Caller ID Capability			UEPRX	UEPA9	14.00	90.00	90.00				11.90			
	LOCAL NUMBER PORTABILITY														
	Local Number Portability (1 per port)			UEPRX	LNPCX	0.35									
	FEATURES														
	All Features Offered			UEPRX	UEPVF	0.00	0.00	0.00				11.90			
	NONRECURRING CHARGES - CURRENTLY COMBINED														
	2-Wire Voice Grade Loop / Line Port Combination - Switch-as-is			UEPRX	USAC2		41.50	41.50				11.90			
	2-Wire Voice Grade Loop / Line Port Combination - Switch with change			UEPRX	USACC		41.50	41.50				11.90			
	ADDITIONAL NRCs														
	NRC - 2-Wire Voice Grade Loop/Line Port Combination - Subsequent			UEPRX	USAS2		0.00	0.00				11.90			
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS)														
	UNE Port/Loop Combination Rates														
	2-Wire VG Loop/Port Combo - Zone 1		1			23.77									
	2-Wire VG Loop/Port Combo - Zone 2		2			27.88									
	2-Wire VG Loop/Port Combo - Zone 3		3			38.63									
	UNE Loop Rates														
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPBX	UEPLX	9.77									
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPBX	UEPLX	13.88									
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPBX	UEPLX	24.63									
	2-Wire Voice Grade Line Port (Bus)														
	2-Wire voice unbundled port without Caller ID - bus			UEPBX	UEPBL	14.00	90.00	90.00				11.90			
	2-Wire voice unbundled port with Caller + E484 ID - bus			UEPBX	UEPBC	14.00	90.00	90.00				11.90			
	2-Wire voice unbundled port outgoing only - bus			UEPBX	UEPBO	14.00	90.00	90.00				11.90			
	2-Wire voice unbundled Incoming Only Port without Caller ID Capability			UEPBX	UEPBE	14.00	90.00	90.00				11.90			
	LOCAL NUMBER PORTABILITY														
	Local Number Portability (1 per port)			UEPBX	LNPCX	0.35									
	NONRECURRING CHARGES - CURRENTLY COMBINED														
	2-Wire Voice Grade Loop / Line Port Combination - Switch-as-is			UEPBX	USAC2		41.50	41.50				11.90			
	2-Wire Voice Grade Loop / Line Port Combination - Switch with change			UEPBX	USACC		41.50	41.50				11.90			
	ADDITIONAL NRCs														
	NRC - 2-Wire Voice Grade Loop/Line Port Combination - Subsequent			UEPBX	USAS2		0.00	0.00				11.90			
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (RES - PBX)														

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMECD	SOMAN	SOMAN	SOMAN	SOMAN
	UNE Port/Loop Combination Rates														
	2-Wire VG Loop/Port Combo - Zone 1		1			23.77									
	2-Wire VG Loop/Port Combo - Zone 2		2			27.88									
	2-Wire VG Loop/Port Combo - Zone 3		3			38.63									
	UNE Loop Rates														
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPRG	UEPLX	9.77									
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPRG	UEPLX	13.88									
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPRG	UEPLX	24.63									
	2-Wire Voice Grade Line Port Rates (RES - PBX)														
	2-Wire VG Unbundled Combination 2-Way PBX Trunk Port - Res			UEPRG	UEPRD	14.00	90.00	90.00				11.90			
	LOCAL NUMBER PORTABILITY														
	Local Number Portability (1 per port)			UEPRG	LNPCP	3.15	0.00	0.00							
	FEATURES														
	All Features Offered			UEPRG	UEPVF	0.00	0.00	0.00				11.90			
	NONRECURRING CHARGES - CURRENTLY COMBINED														
	2-Wire Voice Grade Loop/ Line Port Combination - Switch-As-Is			UEPRG	USAC2		41.50	41.50				11.90			
	2-Wire Voice Grade Loop/ Line Port Combination - Switch with Change			UEPRG	USACC		41.50	41.50				11.90			
	ADDITIONAL NRCs														
	2 Wire Loop/Line Side Port Combination - Non feature - Subsequent Activity- Nonrecurring						0.00	0.00				11.90			
	PBX Subsequent Activity - Change/Rearrange Multiline Hunt Group						7.09	7.09				11.90			
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS - PBX)														
	UNE Port/Loop Combination Rates														
	2-Wire VG Loop/Port Combo - Zone 1		1			23.77									
	2-Wire VG Loop/Port Combo - Zone 2		2			27.88									
	2-Wire VG Loop/Port Combo - Zone 3		3			38.63									
	UNE Loop Rates														
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPPX	UEPLX	9.77									
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPPX	UEPLX	13.88									
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPPX	UEPLX	24.63									
	2-Wire Voice Grade Line Port Rates (BUS - PBX)														
	Line Side Unbundled Combination 2-Way PBX Trunk Port - Bus			UEPPX	UEPPC	14.00	90.00	90.00				11.90			
	Line Side Unbundled Outward PBX Trunk Port - Bus			UEPPX	UEPPO	14.00	90.00	90.00				11.90			
	Line Side Unbundled Incoming PBX Trunk Port - Bus			UEPPX	UEPP1	14.00	90.00	90.00				11.90			
	2-Wire Voice Unbundled PBX LD Terminal Ports			UEPPX	UEPLD	14.00	90.00	90.00				11.90			
	2-Wire Voice Unbundled 2-Way Combination PBX Usage Port			UEPPX	UEPXA	14.00	90.00	90.00				11.90			
	2-Wire Voice Unbundled PBX Toll Terminal Hotel Ports			UEPPX	UEPXB	14.00	90.00	90.00				11.90			
	2-Wire Voice Unbundled PBX LD DDD Terminals Port			UEPPX	UEPXC	14.00	90.00	90.00				11.90			
	2-Wire Voice Unbundled PBX LD Terminal Switchboard Port			UEPPX	UEPXD	14.00	90.00	90.00				11.90			
	2-Wire Voice Unbundled PBX LD Terminal Switchboard IDD Capable Port			UEPPX	UEPXE	14.00	90.00	90.00				11.90			
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Administrative Calling Port			UEPPX	UEPXL	14.00	90.00	90.00				11.90			
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Room Calling Port			UEPPX	UEPXM	14.00	90.00	90.00				11.90			
	2-Wire Voice Unbundled 1-Way Outgoing PBX Hotel/Hospital Discount Room Calling Port			UEPPX	UEPXO	14.00	90.00	90.00				11.90			
	2-Wire Voice Unbundled 1-Way Outgoing PBX Measured Port			UEPPX	UEPXS	14.00	90.00	90.00				11.90			
	LOCAL NUMBER PORTABILITY														
	Local Number Portability (1 per port)			UEPPX	LNPCP	3.15	0.00	0.00							
	FEATURES														
	All Features Offered			UEPPX	UEPVF	0.00	0.00	0.00				11.90			
	NONRECURRING CHARGES - CURRENTLY COMBINED														

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect				OSS Rates(\$)		
							First	Add'l	First	Add'l	SOMEc	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Loop/ Line Port Combination - Switch-As-Is			UEPPX	USAC2		41.50	41.50				11.90			
	2-Wire Voice Grade Loop/ Line Port Combination - Switch with Change			UEPPX	USACC		41.50	41.50				11.90			
	ADDITIONAL NRCs														
	2-Wire Voice Grade Loop/ Line Port Combination - Subsequent			UEPPX	USAS2	0.00	0.00	0.00				11.90			
	2 Wire Loop/Line Side Port Combination - Non feature - Subsequent Activity- Nonrecurring						0.00	0.00				11.90			
	PBX Subsequent Activity - Change/Rearrange Multiline Hunt Group						7.09	7.09				11.90			
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE ANALOG LINE COIN PORT														
	UNE Port/Loop Combination Rates														
	2-Wire VG Coin Port/Loop Combo – Zone 1		1			23.77									
	2-Wire VG Coin Port/Loop Combo – Zone 2		2			27.88									
	2-Wire VG Coin Port/Loop Combo – Zone 3		3			38.63									
	UNE Loop Rates														
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPCO	UEPLX	9.77									
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPCO	UEPLX	13.88									
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPCO	UEPLX	24.63									
	2-Wire Voice Grade Line Port Rates (Coin)														
	2-Wire Coin 2-Way with Operator Screening and Blocking: 011, 900/976, 1+DDD (FL)			UEPCO	UEP2F	14.00	90.00	90.00				11.90			
	2-Wire Coin 2-Way with Operator Screening and 011 Blocking (FL)			UEPCO	UEPFA	14.00	90.00	90.00				11.90			
	2-Wire Coin 2-Way with Operator Screening and Blocking: 900/976, 1+DDD, 011+, and Local (FL)			UEPCO	UEPCG	14.00	90.00	90.00				11.90			
	2-Wire Coin Outward with Operator Screening and 011 Blocking (AL, FL)			UEPCO	UEPRK	14.00	90.00	90.00				11.90			
	2-Wire Coin Outward with Operator Screening and Blocking: 900/976, 1+DDD, 011+ (FL)			UEPCO	UEPOF	14.00	90.00	90.00				11.90			
	2-Wire Coin Outward with Operator Screening and Blocking: 900/976, 1+DDD, 011+, and Local (FL, GA)			UEPCO	UEPCQ	14.00	90.00	90.00				11.90			
	LOCAL NUMBER PORTABILITY														
	Local Number Portability (1 per port)			UEPCO	LNPCX	0.35									
	NONRECURRING CHARGES - CURRENTLY COMBINED														
	2-Wire Voice Grade Loop/ Line Port Combination - Switch-As-Is			UEPCO	USAC2		41.50	41.50				11.90			
	2-Wire Voice Grade Loop/ Line Port Combination - Switch with Change			UEPCO	USACC		41.50	41.50							
	ADDITIONAL NRCs														
	2-Wire Voice Grade Loop/ Line Port Combination - Subsequent			UEPCO	USAS2		0.00	0.00				11.90			
	2-WIRE VOICE LOOP/ 2WIRE VOICE GRADE IO TRANSPORT/ 2-WIRE LINE PORT (RES)														
	UNE Port/Loop Combination Rates														
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			26.24									
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			31.40									
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			44.87									
	UNE Loop Rates														
	2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFR	UECF2	12.24									
	2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFR	UECF2	17.40									
	2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFR	UECF2	30.87									
	2-Wire Voice Grade Line Port Rates (Res)														
	2-Wire voice unbundled port - residence			UEPFR	UEPRL	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire voice unbundled port with Caller ID - res			UEPFR	UEPRC	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire voice unbundled port outgoing only - res			UEPFR	UEPRO	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire voice unbundled Florida Area Calling with Caller ID - res			UEPFR	UEPAF	14.00	180.00	110.00	85.00	20.00		11.90			

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B			
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire voice unbundles res, low usage line port with Caller ID (LUM)			UEPFR	UEPAP	14.00	180.00	110.00	85.00	20.00		11.90				
	INTEROFFICE TRANSPORT															
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFR	U1TV2	25.32	47.35	31.78								
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFR	1L5XX	0.0091										
	FEATURES															
	All Features Offered			UEPFR	UEPVF	0.00	0.00	0.00				11.90				
	LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPFR	LNPCX	0.35										
	NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED															
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFR	USAC2		16.97	3.73				11.90				
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-With-Change			UEPFR	USACC		16.97	3.73				11.90				
	2-WIRE VOICE LOOP/ 2WIRE VOICE GRADE IO TRANSPORT/ 2-WIRE LINE PORT (BUS)															
	UNE Port/Loop Combination Rates															
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			26.24										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			31.40										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			44.87										
	UNE Loop Rates															
	2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFB	UECF2	12.24										
	2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFB	UECF2	17.40										
	2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFB	UECF2	30.87										
	2-Wire Voice Grade Line Port (Bus)															
	2-Wire voice unbundled port without Caller ID - bus			UEPFB	UEPBL	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire voice unbundled port with Caller + E484 ID - bus			UEPFB	UEPBC	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire voice unbundled port outgoing only - bus			UEPFB	UEPBO	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire voice unbundled incoming only port with Caller ID - Bus			UEPFB	UEPB1	14.00	180.00	110.00	85.00	20.00		11.90				
	LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPFB	LNPCX	0.35										
	INTEROFFICE TRANSPORT															
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFB	U1TV2	25.32	47.35	31.78								
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFB	1L5XX	0.0091										
	FEATURES															
	All Features Offered			UEPFB	UEPVF	0.00	0.00	0.00				11.90				
	NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED															
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFB	USAC2		16.97	3.73				11.90				
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch with change			UEPFB	USACC		16.97	3.73				11.90				
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS - PBX)															
	UNE Port/Loop Combination Rates															
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			26.24										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			31.40										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			44.87										
	UNE Loop Rates															
	2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFP	UECF2	12.24										
	2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFP	UECF2	17.40										
	2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFP	UECF2	30.87										
	2-Wire Voice Grade Line Port Rates (BUS - PBX)															
	Line Side Unbundled Combination 2-Way PBX Trunk Port - Bus			UEPFP	UEPPC	14.00	180.00	110.00	85.00	20.00		11.90				
	Line Side Unbundled Outward PBX Trunk Port - Bus			UEPFP	UEPPO	14.00	180.00	110.00	85.00	20.00		11.90				
	Line Side Unbundled Incoming PBX Trunk Port - Bus			UEPFP	UEPP1	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Unbundled PBX LD Terminal Ports			UEPFP	UEPLD	14.00	180.00	110.00	85.00	20.00		11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Unbundled 2-Way Combination PBX Usage Port			UEPFP	UEPXA	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire Voice Unbundled PBX Toll Terminal Hotel Ports			UEPFP	UEPXB	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire Voice Unbundled PBX LD DDD Terminals Port			UEPFP	UEPXC	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire Voice Unbundled PBX LD Terminal Switchboard Port			UEPFP	UEPXD	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire Voice Unbundled PBX LD Terminal Switchboard IDD Capable Port			UEPFP	UEPXE	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Administrative Calling Port			UEPFP	UEPXL	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Room Calling Port			UEPFP	UEPXM	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire Voice Unbundled 1-Way Outgoing PBX Hotel/Hospital Discount Room Calling Port			UEPFP	UEPXO	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire Voice Unbundled 1-Way Outgoing PBX Measured Port			UEPFP	UEPXS	14.00	180.00	110.00	85.00	20.00		11.90			
LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPFP	LNPCP	3.15	0.00	0.00				11.90			
INTEROFFICE TRANSPORT															
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFP	U1TV2	25.32	47.35	31.78							
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFP	1L5XX	0.0091									
FEATURES															
	All Features Offered			UEPFP	UEPVF	0.00	0.00	0.00				11.90			
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED															
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFP	USAC2		16.97	3.73				11.90			
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch with change			UEPFP	USACC		16.97	3.73				11.90			
UNBUNDLED PORT/LOOP COMBINATIONS - MARKET BASED RATES															
2-WIRE VOICE GRADE LOOP- BUS ONLY - WITH 2-WIRE DID TRUNK PORT															
UNE Port/Loop Combination Rates															
	2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 1		1			67.24									
	2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 2		2			72.40									
	2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 3		3			85.87									
UNE Loop Rates															
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 1		1	UEPPX	UECD1	12.24						11.90			1.83
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 2		2	UEPPX	UECD1	17.40						11.90			1.83
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 3		3	UEPPX	UECD1	30.87						11.90			1.83
UNE Port Rate															
	Exchange Ports - 2-Wire DID Port			UEPPX	UEPD1	55.00	850.00	75.00				11.90			1.83
NONRECURRING CHARGES - CURRENTLY COMBINED															
	2-Wire Voice Grade Loop / 2-Wire DID Trunk Port Combination - Switch-As-Is Top 8 MSAs only			UEPPX	USAC1		850.00	75.00				11.90			
	2-Wire Voice Grade Loop / 2-Wire DID Trunk Port Conversion with BellSouth Allowable Changes Top 8 MSAs only			UEPPX	USA1C		850.00	75.00				11.90			
ADDITIONAL NRCs															
	2-Wire DID Subsequent Activity - Add Trunks, Per Trunk			UEPPX	USAS1		32.26	32.26				11.90			
Telephone Number/Trunk Group Establishment Charges															
	DID Trunk Termination (One Per Port)			UEPPX	NDT	0.00	0.00	0.00				11.90			1.83
	DID Numbers, Establish Trunk Group and Provide First Group of 20 DID Numbers			UEPPX	NDZ	0.00	0.00	0.00				11.90			1.83
	Additional DID Numbers for each Group of 20 DID Numbers			UEPPX	ND4	0.00	0.00	0.00				11.90			1.83
	DID Numbers, Non- consecutive DID Numbers , Per Number			UEPPX	ND5	0.00	0.00	0.00				11.90			1.83
	Reserve Non-Consecutive DID numbers			UEPPX	ND6	0.00	0.00	0.00				11.90			1.83
	Reserve DID Numbers			UEPPX	NDV	0.00	0.00	0.00				11.90			1.83
LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPPX	LNPCP	3.15	0.00	0.00							
2-WIRE ISDN DIGITAL GRADE LOOP WITH 2-WIRE ISDN DIGITAL LINE SIDE PORT															
UNE Port/Loop Combination Rates															

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 1		1	UEPPB	UEPPR	85.25										
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 2		2	UEPPB	UEPPR	91.67										
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 3		3	UEPPB	UEPPR	108.46										
UNE Loop Rates																
	2-Wire ISDN Digital Grade Loop - UNE Zone 1		1	UEPPB	UEPPR	USL2X	15.25					11.90				1.83
	2-Wire ISDN Digital Grade Loop - UNE Zone 2		2	UEPPB	UEPPR	USL2X	21.67					11.90				1.83
	2-Wire ISDN Digital Grade Loop - UNE Zone 3		3	UEPPB	UEPPR	USL2X	38.46					11.90				1.83
UNE Port Rate																
	Exchange Port - 2-Wire ISDN Line Side Port			UEPPB	UEPPR	UEPPB	70.00	525.00	400.00			11.09				1.83
NONRECURRING CHARGES - CURRENTLY COMBINED																
	2-Wire ISDN Digital Grade Loop / 2-Wire ISDN Line Side Port Combination - Conversion - Top 8 MSAs only			UEPPB	UEPPR	USACB	0.00	215.00	215.00			11.90				1.83
ADDITIONAL NRCS																
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPPB	UEPPR	LNPCX	0.35	0.00	0.00							
B-CHANNEL USER PROFILE ACCESS:																
	CVS/CSD (DMS/5ESS)			UEPPB	UEPPR	U1UCA	0.00	0.00	0.00							
	CVS (EWSD)			UEPPB	UEPPR	U1UCB	0.00	0.00	0.00							
	CSD			UEPPB	UEPPR	U1UCC	0.00	0.00	0.00							
B-CHANNEL AREA PLUS USER PROFILE ACCESS: (AL, KY, LA, MS SC, MS, & TN)																
USER TERMINAL PROFILE																
	User Terminal Profile (EWSD only)			UEPPB	UEPPR	U1UMA	0.00	0.00	0.00							
VERTICAL FEATURES																
	All Vertical Features - One per Channel B User Profile			UEPPB	UEPPR	UEPVF	2.26	0.00	0.00			11.90				
INTEROFFICE CHANNEL MILEAGE																
	Interoffice Channel mileage each, including first mile and facilities termination			UEPPB	UEPPR	M1GNC	18.4491	47.35	31.78	18.31	7.03	11.90				1.83
	Interoffice Channel mileage each, additional mile			UEPPB	UEPPR	M1GNM	0.0091	0.00	0.00			11.90				1.83
4-WIRE DS1 DIGITAL LOOP WITH 4-WIRE ISDN DS1 DIGITAL TRUNK PORT																
UNE Port/Loop Combination Rates																
	4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 1		1	UEPPP		970.74										
	4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 2		2	UEPPP		1,000.54										
	4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 3		3	UEPPP		1,078.39										
UNE Loop Rates																
	4-Wire DS1 Digital Loop - UNE Zone 1		1	UEPPP		USL4P	70.74					11.90				1.83
	4-Wire DS1 Digital Loop - UNE Zone 2		2	UEPPP		USL4P	100.54					11.90				1.83
	4-Wire DS1 Digital Loop - UNE Zone 3		3	UEPPP		USL4P	178.39					11.90				1.83
UNE Port Rate																
	Exchange Ports - 4-Wire ISDN DS1 Port			UEPPP		UEPPP	900.00	1,150.00	1,150.00			11.90				1.83
NONRECURRING CHARGES - CURRENTLY COMBINED																
	4-Wire DS1 Digital Loop / 4-Wire ISDN DS1 Digital Trunk Port Combination - Conversion - Switch-As-Is Top 8 MSAs only			UEPPP		USACP	0.00	925.00	925.00			11.90				1.83
ADDITIONAL NRCS																
	4-Wire DS1 Loop/4-W ISDN Digt Trk Port - Subseqt Actvy-Inward/two way Telephone Numbers (except NC)			UEPPP		PR7TF		0.5412				11.90				1.83
	4-Wire DS1 Loop / 4-Wire ISDN DS1 Digital Trunk Port - Outward Tel Numbers (All States except NC)			UEPPP		PR7TO		12.71	12.71			11.90				1.83
	4-Wire DS1 Loop / 4-Wire ISDN DS1 Digital Trk Port - Subsequent Inward Telephone Numbers			UEPPP		PR7ZT		25.42	25.42			11.90				1.83
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPPP		LNPCN	1.75									
INTERFACE (Provisioning Only)																

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Inter m	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMECS	SOMAN	SOMAN	SOMAN	SOMAN
	Voice/Data			UEPPP	PR71V	0.00	0.00	0.00							
	Digital Data			UEPPP	PR71D	0.00	0.00	0.00							
	Inward Data			UEPPP	PR71E	0.00	0.00	0.00							
	New or Additional "B" Channel														
	New or Additional - Voice/Data B Channel			UEPPP	PR7BV	0.00	20.00				11.90			1.83	
	New or Additional - Digital Data B Channel			UEPPP	PR7BF	0.00	20.00				11.90			1.83	
	New or Additional Inward Data B Channel			UEPPP	PR7BD	0.00	20.00				11.90			1.83	
	CALL TYPES														
	Inward			UEPPP	PR7C1	0.00	0.00	0.00							
	Outward			UEPPP	PR7C0	0.00	0.00	0.00							
	Two-way			UEPPP	PR7CC	0.00	0.00	0.00							
	Interoffice Channel Mileage														
	Fixed Each Including First Mile			UEPPP	1LN1A	88.6256	105.54	98.47	21.47	19.05	11.90			1.93	
	Each Airline-Fractional Additional Mile			UEPPP	1LN1B	0.1856									
	4-WIRE DS1 DIGITAL LOOP WITH 4-WIRE DDITS TRUNK PORT														
	UNE Port/Loop Combination Rates														
	4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 1	1		UEPDC		820.74					11.90			1.83	
	4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 2	2		UEPDC		850.54					11.90			1.83	
	4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 3	3		UEPDC		928.39					11.90			1.83	
	UNE Loop Rates														
	4-Wire DS1 Digital Loop - UNE Zone 1	1		UEPDC	USLDC	70.74					11.90			1.83	
	4-Wire DS1 Digital Loop - UNE Zone 2	2		UEPDC	USLDC	100.54					11.90			1.83	
	4-Wire DS1 Digital Loop - UNE Zone 3	3		UEPDC	USLDC	178.39					11.90			1.83	
	UNE Port Rate														
	4-Wire DDITS Digital Trunk Port			UEPDC	UDD1T	750.00	1,019.56	479.87	204.92	20.10	11.90			1.83	
	NONRECURRING CHARGES - CURRENTLY COMBINED														
	4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Switch-As-Is Top 8 MSAs only			UEPDC	USAC4		95.31	46.71			11.90			1.83	
	4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Conversion with DS1 Changes Top 8 MSAs only			UEPDC	USAWA		95.31	46.71			11.90			1.83	
	4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Conversion with Change - Trunk Top 8 MSAs only			UEPDC	USAWB		95.31	46.71			11.90			1.83	
	ADDITIONAL NRCs														
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - NRC - Subsequent Channel Activation/Chan - 2-Way Trunk			UEPDC	UDTTA		15.69	15.69			11.90			1.83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsequent Channel Activation/Chan - 1-Way Outward Trunk			UEPDC	UDTTB		15.69	15.69			11.90			1.83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Channel Activation/Chan - Inward Trunk w/out DID			UEPDC	UDTTC		15.69	15.69			11.90			1.83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Chan Activation Per Chan - Inward Trunk with DID			UEPDC	UDTTD		15.69	15.69			11.90			1.83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Chan Activation / Chan - 2-Way DID w User Trans			UEPDC	UDTTE		15.69	15.69			11.90			1.83	
	BIPOLAR 8 ZERO SUBSTITUTION														
	B8ZS - Superframe Format			UEPDC	CCOSF		0.00	655.00			11.90			1.83	
	B8ZS - Extended Superframe Format			UEPDC	CCOEF		0.00	655.00			11.90			1.83	
	Alternate Mark Inversion														
	AMI - Superframe Format			UEPDC	MCOSF		0.00	0.00							
	AMI - Extended SuperFrame Format			UEPDC	MCOPO		0.00	0.00							
	Telephone Number/Trunk Group Establishment Charges														
	Telephone Number for 2-Way Trunk Group			UEPDC	UDTGX	0.00					11.90			1.83	
	Telephone Number for 1-Way Outward Trunk Group			UEPDC	UDTGY	0.00					11.90			1.83	
	Telephone Number for 1-Way Inward Trunk Group Without DID			UEPDC	UDTGZ	0.00					11.90			1.83	
	DID Numbers, Establish Trunk Group and Provide First Group of 20 DID Numbers			UEPDC	NDZ	0.00	0.00	0.00			11.90			1.83	
	DID Numbers for each Group of 20 DID Numbers			UEPDC	ND4	0.00					11.90			1.83	
	DID Numbers, Non- consecutive DID Numbers , Per Number			UEPDC	ND5	0.00					11.90			1.83	

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B			
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOMECD	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Reserve Non-Consecutive DID Nos.			UEPDC	ND6	0.00	0.00	0.00				11.90			1.83	
	Reserve DID Numbers			UEPDC	NDV	0.00	0.00	0.00				11.90			1.83	
	Dedicated DS1 (Interoffice Channel Mileage) -															
	FX/FCO for 4-Wire DS1 Digital Loop with 4-Wire DDITS Trunk Port															
	Interoffice Channel Mileage - Fixed rate 0-8 miles (Facilities Termination)			UEPDC	1LNO1	88.44	105.54	98.47	21.47	19.05		11.90			1.83	
	Interoffice Channel Mileage - Additional rate per mile - 0-8 miles			UEPDC	1LNOA	0.1856	0.00	0.00								
	Interoffice Channel Mileage - Fixed rate 9-25 miles (Facilities Termination)			UEPDC	1LNO2	0.00	0.00	0.00								
	Interoffice Channel Mileage - Additional rate per mile - 9-25 miles			UEPDC	1LNOB	0.1856	0.00	0.00								
	Interoffice Channel Mileage - Fixed rate 25+ miles (Facilities Termination)			UEPDC	1LNO3	0.00	0.00	0.00	0.00							
	Interoffice Channel Mileage - Additional rate per mile - 25+ miles			UEPDC	1LNOC	0.1856	0.00	0.00								
	Local Number Portability, per DSO Activated			UEPDC	LNPCP	3.15	0.00	0.00	0.00							
	Central Office Terminating Point			UEPDC	CTG	0.00										
	4-WIRE DS1 LOOP WITH CHANNELIZATION WITH PORT															
	System is 1 DS1 Loop, 1 D4 Channel Bank, and up to 24 Feature Activations															
	A system can have various rate combinations based on type and number of ports used															
	UNE DS1 Loop															
	4-Wire DS1 Loop - UNE Zone 1		1	UEPMG	USLDC	70.74	0.00	0.00								
	4-Wire DS1 Loop - UNE Zone 2		2	UEPMG	USLDC	100.54	0.00	0.00								
	4-Wire DS1 Loop - UNE Zone 3		3	UEPMG	USLDC	178.39	0.00	0.00								
	UNE DSO Channelization Capacities (D4 Channel Bank Configurations)															
	24 DSO Channel Capacity - 1 per DS1			UEPMG	VUM24	118.06	0.00	0.00				11.90			1.83	
	48 DSO Channel Capacity - 1 per 2 DS1s			UEPMG	VUM48	236.12	0.00	0.00				11.90			1.83	
	96 DSO Channel Capacity - 1per 4 DS1s			UEPMG	VUM96	472.24	0.00	0.00				11.90			1.83	
	144 DSO Channel Capacity - 1 per 6 DS1s			UEPMG	VUM144	708.36	0.00	0.00				11.90			1.83	
	192 DSO Channel Capacity - 1 per 8 DS1s			UEPMG	VUM192	944.48	0.00	0.00				11.90			1.83	
	240 DSO Channel Capacity - 1 per 10 DS1s			UEPMG	VUM240	1,180.60	0.00	0.00				11.90			1.83	
	288 DSO Channel Capacity - 1 per 12 DS1s			UEPMG	VUM288	1,416.72	0.00	0.00				11.90			1.83	
	384 DSO Channel Capacity - 1 per 16 DS1s			UEPMG	VUM384	1,888.96	0.00	0.00				11.90			1.83	
	480 DSO Channel Capacity - 1 per 20 DS1s			UEPMG	VUM480	2,361.20	0.00	0.00				11.90			1.83	
	576 DSO Channel Capacity - 1 per 24 DS1s			UEPMG	VUM576	2,833.44	0.00	0.00				11.90			1.83	
	672 DSO Channel Capacity - 1 per 28 DS1s			UEPMG	VUM672	3,305.68	0.00	0.00				11.90			1.83	
	Non-Recurring Charges (NRC) Associated with 4-Wire DS1 Loop with Channelization with Port - Conversion Charge Based on a System															
	A Minimum System configuration is One (1) DS1, One (1) D4 Channel Bank, and Up To 24 DSO Ports with Feature Activations.															
	Multiples of this configuration functioning as one are considered Add'l after the minimum system configuration is counted.															
	NRC - Conversion (Currently Combined) with or without BellSouth Allowed Changes - Top 8 MSAs Only			UEPMG	USAC4	0.00	450.00	50.00				11.90				
	System Additions Where Currently Combined and New (Not Currently Combined)															
	In Density Zone 1 Top 8 MSAs															
	1 DS1/D4 Channel Bank - Add NRC for each Port and Assoc Fea Activation -			UEPMG	VUMD4	0.00	950.00	600.00	200.00	30.00		11.90				
	Bipolar 8 Zero Substitution															
	Clear Channel Capability Format, superframe - Subsequent Activity Only			UEPMG	CCOSF	0.00	0.00	655.00				11.90				
	Clear Channel Capability Format - Extended Superframe - Subsequent Activity Only			UEPMG	CCOEF	0.00	0.00	655.00				11.90				
	Alternate Mark Inversion (AMI)															
	Superframe Format			UEPMG	MCOSF	0.00	0.00	0.00								
	Extended Superframe Format			UEPMG	MCOPO	0.00	0.00	0.00								
	Exchange Ports Associated with 4-Wire DS1 Loop with Channelization with Port															
	Exchange Ports															
	Line Side Combination Channelized PBX Trunk Port - Business			UEPPX	UEPCX	14.00	0.00	0.00	0.00	0.00		11.90			1.83	
	Line Side Outward Channelized PBX Trunk Port - Business			UEPPX	UEPOX	14.00	0.00	0.00	0.00	0.00		11.90			1.83	

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOMECS	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP91	UEPYZ	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent - Basic Local Area			UEP91	UEPY9	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP91	UEPY2	1.17	53.31	26.46	27.50	8.37		11.90				
Georgia and Florida Only																
	2-Wire Voice Grade Port (Centrex)			UEP91	UEPHA	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP91	UEPHB	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP91	UEPHH	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP91	UEPHM	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP91	UEPHZ	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP91	UEPH9	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP91	UEPH2	1.17	53.31	26.46	27.50	8.37		11.90				
Local Switching																
	Centrex Intercom Functionality, per port			UEP91	URECS	0.7384										
Local Number Portability																
	Local Number Portability (1 per port)			UEP91	LNPPC	0.35										
Features																
	All Standard Features Offered, per port			UEP91	UEPVF	2.26						11.90				
	All Select Features Offered, per port			UEP91	UEPVS	0.00	370.70					11.90				
	All Centrex Control Features Offered, per port			UEP91	UEPVC	2.26						11.90				
NARS																
	Unbundled Network Access Register - Combination			UEP91	UARCX	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Initial			UEP91	UAR1X	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Outdial			UEP91	UAROY	0.00	0.00	0.00				11.90				
Miscellaneous Terminations																
2-Wire Trunk Side																
	Trunk Side Terminations, each			UEP91	CENA6	8.73										
Interoffice Channel Mileage - 2-Wire																
	Interoffice Channel Facilities Termination - Voice Grade			UEP91	M1GBC	25.32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP91	M1GBM	0.0091										
Feature Activations (DS0) Centrex Loops on Channelized DS1 Service																
D4 Channel Bank Feature Activations																
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP91	1PQWS	0.66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP91	1PQW6	0.66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP91	1PQW7	0.66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP91	1PQWP	0.66										
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP91	1PQWV	0.66										
	Feature Activation on D-4 Channel Bank Tie Line/Trunk Loop Slot			UEP91	1PQWQ	0.66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP91	1PQWA	0.66										
Non-Recurring Charges (NRC) Associated with UNE-P Centrex																
	Conversion - Currently Combined Switch-As-Is with allowed changes, per port			UEP91	USAC2		21.50	8.42				11.90				
	Conversion of Existing Centrex Common Block			UEP91	USACN		5.17	8.32				11.90				
	New Centrex Standard Common Block			UEP91	M1ACS	0.00	618.82					11.90				
	New Centrex Customized Common Block			UEP91	M1ACC	0.00	618.82					11.90				
	Secondary Block, per Block			UEP91	M2CC1	0.00	71.31					11.90				
	NAR Establishment Charge, Per Occasion			UEP91	URECA	0.00	66.48					11.90				
UNE-P CENTREX - SESS (Valid in All States)																
2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo																

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida																Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l				
						Rec	Nonrecurring		Nonrecurring	Disconnect		OSS Rates(\$)							
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN			
UNE Port/Loop Combination Rates (Non-Design)																			
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP95		10.94													
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		2	UEP95		15.05													
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		3	UEP95		25.80													
UNE Port/Loop Combination Rates (Design)																			
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP95		13.41													
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		2	UEP95		18.57													
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		3	UEP95		32.04													
UNE Loop Rate																			
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP95	UECS1	9.77													
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP95	UECS1	13.88													
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP95	UECS1	24.63													
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP95	UECS2	12.24													
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP95	UECS2	17.40													
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP95	UECS2	30.87													
UNE Port Rate																			
All States																			
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP95	UEPYA	1.17	53.31	26.46	27.50	8.37		11.90							
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP95	UEPYB	1.17	53.31	26.46	27.50	8.37		11.90							
	2-Wire Voice Grade Port (Centrex with Caller ID)1 Basic Local Area			UEP95	UEPYH	1.17	53.31	26.46	27.50	8.37		11.90							
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2 Basic Local Area			UEP95	UEPYM	1.17	139.49	86.10	65.41	13.81		11.90							
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP95	UEPYZ	1.17	139.49	86.10	65.41	13.81		11.90							
	2-Wire Voice Grade Port terminated in on Megalink or equivalent - Basic Local Area			UEP95	UEPY9	1.17	53.31	26.46	27.50	8.37		11.90							
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP95	UEPY2	1.17	53.31	26.46	27.50	8.37		11.90							
AL, KY, LA, MS, SC, & TN Only																			
FL & GA Only																			
	2-Wire Voice Grade Port (Centrex)			UEP95	UEPHA	1.17	53.31	26.46	27.50	8.37		11.90							
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP95	UEPHB	1.17	53.31	26.46	27.50	8.37		11.90							
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP95	UEPHH	1.17	53.31	26.46	27.50	8.37		11.90							
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP95	UEPHM	1.17	139.49	86.10	65.41	13.81		11.90							
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP95	UEPHZ	1.17	139.49	86.10	65.41	13.81		11.90							
	2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP95	UEPH9	1.17	53.31	26.46	27.50	8.37		11.90							
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP95	UEPH2	1.17	53.31	26.46	27.50	8.37		11.90							
Local Switching																			
	Centrex Intercom Functionality, per port			UEP95	URECS	0.7384													
Local Number Portability																			
	Local Number Portability (1 per port)			UEP95	LNPC	0.35													
Features																			
	All Standard Features Offered, per port			UEP95	UEPVF	2.26													
	All Select Features Offered, per port			UEP95	UEPVS	0.00	370.70					11.90							
	All Centrex Control Features Offered, per port			UEP95	UEPVC	2.26													
NARS																			
	Unbundled Network Access Register - Combination			UEP95	UARCX	0.00	0.00	0.00									11.90		
	Unbundled Network Access Register - Initial			UEP95	UARI X	0.00	0.00	0.00									11.90		
	Unbundled Network Access Register - Outdial			UEP95	UARO X	0.00	0.00	0.00									11.90		

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS		Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
							Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
								First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN
	Miscellaneous Terminations															
	2-Wire Trunk Side															
		Trunk Side Terminations, each			UEP95	CEND6	8.73									
	4-Wire Digital (1.544 Megabits)															
		DS1 Circuit Terminations, each			UEP95	M1HD1	54.95									
		DS0 Channels Activated, each			UEP95	M1HDO	0.00	15.69				11.90				
	Interoffice Channel Mileage - 2-Wire															
		Interoffice Channel Facilities Termination			UEP95	MIGBC	25.32									
		Interoffice Channel mileage, per mile or fraction of mile			UEP95	MIGBM	0.0091									
	Feature Activations (DS0) Centrex Loops on Channelized DS1 Service															
	D4 Channel Bank Feature Activations															
		Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP95	1PQWS	0.66									
		Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP95	1PQW6	0.66									
		Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP95	1PQW7	0.66									
		Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP95	1PQWP	0.66									
		Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP95	1PQWV	0.66									
		Feature Activation on D-4 Channel Bank Tie Line/Trunk Loop Slot			UEP95	1PQWQ	0.66									
		Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP95	1PQWA	0.66									
	Non-Recurring Charges (NRC) Associated with UNE-P Centrex															
		NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP95	USAC2	0.00	21.50	8.42			11.90				
		Conversion of Existing Centrex Common Block, each			UEP95	USACN		5.17	8.32			11.90				
		New Centrex Standard Common Block			UEP95	M1ACS	0.00	618.82				11.90				
		New Centrex Customized Common Block			UEP95	M1ACC	0.00	618.82				11.90				
		NAR Establishment Charge, Per Occasion			UEP95	URECA	0.00	66.48				11.90				
	UNE-P CENTREX - DMS100 (Valid in All States)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo															
	UNE Port/Loop Combination Rates (Non-Design)															
		2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP9D		10.94									
		2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP9D		15.05									
		2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP9D		25.80									
	UNE Port/Loop Combination Rates (Design)															
		2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP9D		13.41									
		2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP9D		18.57									
		2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP9D		32.04									
	UNE Loop Rate															
		2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP9D	UECS1	9.77									
		2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP9D	UECS1	13.88									
		2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP9D	UECS1	24.63									
		2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP9D	UECS2	12.24									
		2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP9D	UECS2	17.40									
		2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP9D	UECS2	30.87									
	UNE Port Rate															
	ALL STATES															
		2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP9D	UEPYA	1.17					11.90				
		2-Wire Voice Grade Port (Centrex 800 termination)Basic Local Area			UEP9D	UEPYB	1.17	53.31	26.46	27.50	8.37	11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interi m	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Port (Centrex / EBS-PSET)3Basic Local Area			UEP9D	UEPYC	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5009)3Basic Local Area			UEP9D	UEPYD	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5209))3 Basic Local Area			UEP9D	UEPYE	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5112))3 Basic Local Area			UEP9D	UEPYF	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5312))3Basic Local Area			UEP9D	UEPYG	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5008))3 Basic Local Area			UEP9D	UEPYT	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5208))3 Basic Local Area			UEP9D	UEPYU	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5216))3 Basic Local Area			UEP9D	UEPYV	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5316))3 Basic Local Area			UEP9D	UEPY3	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID) Basic Local Area			UEP9D	UEPYH	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex/Caller ID/Msg Wtg Lamp Indication))3 Basic Local Area			UEP9D	UEPYW	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex/Msg Wtg Lamp Indication))3 Basic Local Area			UEP9D	UEPYJ	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center) 2 Basic Local Area			UEP9D	UEPYM	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-PSET)2, 3 Basic Local Area			UEP9D	UEPYO	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5009)2, 3 Basic Local Area			UEP9D	UEPYP	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-5209)2, 3 Basic Local Area			UEP9D	UEPYQ	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5112)2, 3 Basic Local Area			UEP9D	UEPYR	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5312)2, 3 Basic Local Area			UEP9D	UEPYS	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5008)2, 3 Basic Local Area			UEP9D	UEPY4	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5208)2, 3 Basic Local Area			UEP9D	UEPY5	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5216)2, 3 Basic Local Area			UEP9D	UEPY6	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5316)2, 3 Basic Local Area			UEP9D	UEPY7	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9D	UEPYZ	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent Basic Local Area			UEP9D	UEPY9	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term Basic Local Area			UEP9D	UEPY2	1.17	53.31	26.46	27.50	8.37		11.90				
FL & GA Only																
	2-Wire Voice Grade Port (Centrex)			UEP9D	UEPHA	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP9D	UEPHB	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-PSET)3			UEP9D	UEPHC	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5009)3			UEP9D	UEPHD	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5209)3			UEP9D	UEPHE	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5112)3			UEP9D	UEPHF	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5312)3			UEP9D	UEPHG	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5008)3			UEP9D	UEPHI	1.17	53.31	26.46	27.50	8.37		11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interi m	Zone	BCS	USOC	RATES(\$)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect				OSS Rates(\$)			
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Port (Centrex / EBS-M5208)3			UEP9D	UEPHU	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5216)3			UEP9D	UEPHV	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5316)3			UEP9D	UEPH3	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)			UEP9D	UEPHH	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex/Caller ID/Msg Wtg Lamp Indication)3			UEP9D	UEPHW	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex/Msg Wtg Lamp Indication)3			UEP9D	UEPHJ	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center) 2			UEP9D	UEPHM	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-PSET)2, 3			UEP9D	UEPHO	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5009)2, 3			UEP9D	UEPHP	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-5209)2, 3			UEP9D	UEPHQ	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5112)2, 3			UEP9D	UEPHR	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5312)2, 3			UEP9D	UEPHS	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5008)2, 3			UEP9D	UEPH4	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5208)2, 3			UEP9D	UEPH5	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5216)2, 3			UEP9D	UEPH6	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5316)2, 3			UEP9D	UEPH7	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9D	UEPHZ	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP9D	UEPH9	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP9D	UEPH2	1.17	53.31	26.46	27.50	8.37		11.90				
	Local Switching															
	Centrex Intercom Functionality, per port			UEP9D	URECS	0.7384										
	Local Number Portability															
	Local Number Portability (1 per port)			UEP9D	LNPC	0.35										
	Features															
	All Standard Features Offered, per port			UEP9D	UEPVF	2.26										
	All Select Features Offered, per port			UEP9D	UEPVS	0.00	370.70					11.90				
	All Centrex Control Features Offered, per port			UEP9D	UEPVC	2.26										
	NARS															
	Unbundled Network Access Register - Combination			UEP9D	UARCX	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Inward			UEP9D	UAR1X	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Outdial			UEP9D	UARO	0.00	0.00	0.00				11.90				
	Miscellaneous Terminations															
	2-Wire Trunk Side															
	Trunk Side Terminations, each			UEP9D	CEND6	8.73										
	4-Wire Digital (1.544 Megabits)															
	DS1 Circuit Terminations, each			UEP9D	M1HD1	54.95										
	DS0 Channels Activated per Channel			UEP9D	M1HDO	0.00	15.69					11.90				
	Interoffice Channel Mileage - 2-Wire															
	Interoffice Channel Facilities Termination			UEP9D	MIGBC	25.32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP9D	MIGBM	0.0091										
	Feature Activations (DS0) Centrex Loops on Channelized DS1 Service															
	D4 Channel Bank Feature Activations															
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP9D	1PQWS	0.66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP9D	1PQW6	0.66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP9D	1PQW7	0.66										

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP9D	1PQWP	0.66									
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP9D	1PQWV	0.66									
	Feature Activation on D-4 Channel Bank Tjje Line/Trunk Loop Slot			UEP9D	1PQWQ	0.66									
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP9D	1PQWA	0.66									
	Non-Recurring Charges (NRC) Associated with UNE-P Centrex														
	NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP9D	USAC2		21.50	8.42				11.90			
	Conversion of existing Centrex Common Block, each			UEP9D	USACN		5.17	8.32				11.90			
	New Centrex Standard Common Block			UEP9D	M1ACS	0.00	618.82					11.90			
	New Centrex Customized Common Block			UEP9D	M1ACC	0.00	618.82					11.90			
	NAR Establishment Charge, Per Occasion			UEP9D	URECA	0.00	66.48					11.90			
	UNE-P CENTREX - EWSD (Valid in AL, FL, KY, LA, MS & TN)														
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo														
	UNE Port/Loop Combination Rates (Non-Design)														
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP9E		10.94									
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP9E		15.05									
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP9E		25.80									
	UNE Port/Loop Combination Rates (Design)														
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP9E		13.41									
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP9E		18.57									
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP9E		32.04									
	UNE Loop Rate														
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP9E	UECS1	9.77									
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP9E	UECS1	13.88									
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP9E	UECS1	24.63									
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP9E	UECS2	12.24									
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP9E	UECS2	17.40									
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP9E	UECS2	30.87									
	UNE Port Rate														
	AL, FL, KY, LA, MS, & TN only														
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP9E	UEPYA	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire Voice Grade Port (Centrex 800 termination)Basic Local Area			UEP9E	UEPYB	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire Voice Grade Port (Centrex with Caller ID)1Basic Local Area			UEP9E	UEPYH	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2 Basic Local Area			UEP9E	UEPYM	1.17	139.49	86.10	65.41	13.81		11.90			
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP9E	UEPYZ	1.17	139.49	86.10	65.41	13.81		11.90			
	2-Wire Voice Grade Port terminated in on Megalink or equivalent - Basic Local Area			UEP9E	UEPY9	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP9E	UEPY2	1.17	53.31	26.46	27.50	8.37		11.90			
	Florida Only														
	2-Wire Voice Grade Port (Centrex)			UEP9E	UEPHA	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP9E	UEPHB	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP9E	UEPHH	1.17	53.31	26.46	27.50	8.37		11.90			
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP9E	UEPHM	1.17	139.49	86.10	65.41	13.81		11.90			

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B			
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9E	UEPHZ	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP9E	UEPH9	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP9E	UEPH2	1.17	53.31	26.46	27.50	8.37		11.90				
Local Switching																
	Centrex Intercom Funtionality, per port			UEP9E	URECS	0.7384										
Local Number Portability																
	Local Number Portability (1 per port)			UEP9E	LNPC	0.35										
Features																
	All Standard Features Offered, per port			UEP9E	UEPVF	2.26										
	All Select Features Offered, per port			UEP9E	UEPVS	0.00	370.70					11.90				
	All Centrex Control Features Offered, per port			UEP9E	UEPVC	2.26										
NARS																
	Unbundled Network Access Register - Combination			UEP9E	UARCX	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Indial			UEP9E	UAR1X	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Outdial			UEP9E	UARO X	0.00	0.00	0.00				11.90				
Miscellaneous Terminations																
2-Wire Trunk Side																
	Trunk Side Terminations, each			UEP9E	CEND6	8.73										
4-Wire Digital (1,544 Megabits)																
	DS1 Circuit Terminations, each			UEP9E	M1HD1	54.95										
	DS0 Channel Activated Per Channel			UEP9E	M1HDO	0.00	15.69					11.90				
Interoffice Channel Mileage - 2-Wire																
	Interoffice Channel Facilities Termination			UEP9E	MIGBC	25.32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP9E	MIGBM	0.0091										
Feature Activations (DS0) Centrex Loops on Channelized DS1 Service																
D4 Channel Bank Feature Activations																
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP9E	1PQWS	0.66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP9E	1PQW6	0.66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP9E	1PQW7	0.66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP9E	1PQWP	0.66										
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP9E	1PQWV	0.66										
	Feature Activation on D-4 Channel Bank Tje Line/Trunk Loop Slot			UEP9E	1PQWQ	0.66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP9E	1PQWA	0.66										
Non-Recurring Charges (NRC) Associated with UNE-P Centrex																
	NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP9E	USAC2		21.50	8.42				11.90				
	Conversion of Existing Centrex Common Block, each			UEP9E	USACN		5.17	8.32				11.90				
	New Centrex Standard Common Block			UEP9E	MIACS	0.00	618.82					11.90				
	New Centrex Customized Common Block			UEP9E	MIACC	0.00	618.82					11.90				
	NAR Establishment Charge, Per Occasion			UEP9E	URECA	0.00	66.48					11.90				
Note 1 - Required Port for Centrex Control in 1AESS, 5ESS & EWSD																
Note 2 - Requires Interoffice Channel Mileage																
Note 3 - Requires Specific Customer Premises Equipment																
UNBUNDLED CENTREX PORT/LOOP COMBINATIONS - MARKET RATES																
1. Market Rates are applied where BellSouth is not required by FCC and/or State Commission rule to provide Unbundled Local Switching or Switch Ports.																
2. Recurring Charges for all Standard Centrex and Centrex Control Features are Included in the Market Rate																
3. End Office and Tandem Switching Usage and Common Transport Usage rates in the Port section of this rate exhibit shall apply to all combinations of loop/port network elements except for UNE Coin Port/Loop Combinations.																
4. The first and additional Port nonrecurring charges apply to Not Currently Combined Combos. For Currently Combined Combos, the nonrecurring charges shall be those identified in the Nonrecurring - Currently Combined sections. Additional NRCs may apply also and are categorized accordingly.																
UNE-P CENTREX - 1AESS - (Valid in AL,FL,GA,KY,LA,MS,&TN only)																
2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo																
UNE Port/Loop Combination Rates (Non-Design)																

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP91		26.94										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP91		31.06										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP91		45.87										
	UNE Port/Loop Combination Rates (Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP91		29.36										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP91		34.43										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP91		50.68										
	UNE Loop Rate															
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP91	UECS1	12.94										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP91	UECS1	17.06										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP91	UECS1	31.87										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP91	UECS2	15.36										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP91	UECS2	20.43										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP91	UECS2	36.68										
	UNE Ports															
	All States (Except North Carolina and Sout Carolina)															
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP91	UEPYA	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex 800 termination)Basic Local Area			UEP91	UEPYB	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1Basic Local Area			UEP91	UEPYH	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2 Basic Local Area			UEP91	UEPYM	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP91	UEPYZ	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent - Basic Local Area			UEP91	UEPY9	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP91	UEPY2	14.00	70.00	35.00	35.00	10.00		11.90				
	Georgia and Florida Only															
	2-Wire Voice Grade Port (Centrex)			UEP91	UEPHA	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP91	UEPHB	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP91	UEPHH	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP91	UEPHM	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP91	UEPHZ	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP91	UEPH9	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP91	UEPH2	14.00	70.00	35.00	35.00	10.00		11.90				
	Local Switching															
	Centrex Intercom Funtionality, per port			UEP91	URECS	0.7384										
	Local Number Portability															
	Local Number Portability (1 per port)			UEP91	LNPC	0.35										
	Features															
	All Standard Features Offered, per port			UEP91	UEPVF	0.00						11.90				
	All Select Features Offered, per port			UEP91	UEPVS	0.00	370.70					11.90				
	All Centrex Control Features Offered, per port			UEP91	UEPVC	0.00						11.90				
	NARS															
	Unbundled Network Access Register - Combination			UEP91	UARCX	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Indial			UEP91	UAR1X	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Outdial			UEP91	UAROX	0.00	0.00	0.00				11.90				
	Miscellaneous Terminations															

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B			
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Trunk Side															
	Trunk Side Terminations, each			UEP91	CENA6	8.81										
	Interoffice Channel Mileage - 2-Wire															
	Interoffice Channel Facilities Termination - Voice Grade			UEP91	M1GBC	25.32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP91	M1GBM	0.0091										
	Feature Activations (DS0) Centrex Loops on Channelized DS1 Service															
	D4 Channel Bank Feature Activations															
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP91	1PQWS	0.66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP91	1PQW6	0.66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP91	1PQW7	0.66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP91	1PQWP	0.66										
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP91	1PQWV	0.66										
	Feature Activation on D-4 Channel Bank Tjje Line/Trunk Loop Slot			UEP91	1PQWQ	0.66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP91	1PQWA	0.66										
	Non-Recurring Charges (NRC) Associated with UNE-P Centrex															
	Conversion - Currently Combined Switch-As-Is with allowed changes, per port			UEP91	USAC2		21.50	8.42				11.90				
	Conversion of Existing Centrex Common Block			UEP91	USACN		5.17	8.32				11.90				
	New Centrex Standard Common Block			UEP91	M1ACS	0.00	618.82					11.90				
	New Centrex Customized Common Block			UEP91	M1ACC	0.00	618.82					11.90				
	Secondary Block, per Block			UEP91	M2CC1	0.00	71.31					11.90				
	NAR Establishment Charge, Per Occasion			UEP91	URECA	0.00	66.48					11.90				
	UNE-P CENTREX - 5ESS (Valid in All States)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo															
	UNE Port/Loop Combination Rates (Non-Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP95		26.94										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP95		31.06										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP95		45.87										
	UNE Port/Loop Combination Rates (Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP95		29.36										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP95		34.43										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP95		50.68										
	UNE Loop Rate															
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP95	UECS1	12.94										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP95	UECS1	17.06										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP95	UECS1	31.87										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP95	UECS2	15.36										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP95	UECS2	20.43										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP95	UECS2	36.68										
	UNE Port Rate															
	All States															
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP95	UEPYA	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP95	UEPYB	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1Basic Local Area			UEP95	UEPYH	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2 Basic Local Area			UEP95	UEPYM	14.00	180.00	110.00	85.00	20.00		11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
							First	Add'l	First	Add'l	SOMECS	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP95	UEPYZ	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire Voice Grade Port terminated in on Megalink or equivalent - Basic Local Area			UEP95	UEPY9	14.00	70.00	35.00	35.00	10.00		11.90			
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP95	UEPY2	14.00	70.00	35.00	35.00	10.00		11.90			
	AL, KY, LA, MS, SC, & TN Only														
	FL & GA Only														
	2-Wire Voice Grade Port (Centrex)			UEP95	UEPHA	14.00	70.00	35.00	35.00	10.00		11.90			
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP95	UEPHB	14.00	70.00	35.00	35.00	10.00		11.90			
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP95	UEPHH	14.00	70.00	35.00	35.00	10.00		11.90			
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP95	UEPHM	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP95	UEPHZ	14.00	180.00	110.00	85.00	20.00		11.90			
	2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP95	UEPH9	14.00	70.00	35.00	35.00	10.00		11.90			
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP95	UEPH2	14.00	70.00	35.00	35.00	10.00		11.90			
	Local Switching														
	Centrex Intercom Functionality, per port			UEP95	URECS	0.7384									
	Local Number Portability														
	Local Number Portability (1 per port)			UEP95	LNPC	0.35									
	Features														
	All Standard Features Offered, per port			UEP95	UEPVF	0.00									
	All Select Features Offered, per port			UEP95	UEPVS	0.00	370.70					11.90			
	All Centrex Control Features Offered, per port			UEP95	UEPVC	0.00									
	NARS														
	Unbundled Network Access Register - Combination			UEP95	UARCX	0.00	0.00	0.00				11.90			
	Unbundled Network Access Register - Initial			UEP95	UAR1X	0.00	0.00	0.00				11.90			
	Unbundled Network Access Register - Outdial			UEP95	UARO	0.00	0.00	0.00				11.90			
	Miscellaneous Terminations														
	2-Wire Trunk Side														
	Trunk Side Terminations, each			UEP95	CEND6	8.81									
	4-Wire Digital (1.544 Megabits)														
	DS1 Circuit Terminations, each			UEP95	M1HD1	54.95									
	DS0 Channels Activated, each			UEP95	M1HD0	0.00	15.69					11.90			
	Interoffice Channel Mileage - 2-Wire														
	Interoffice Channel Facilities Termination			UEP95	MIGBC	25.32									
	Interoffice Channel mileage, per mile or fraction of mile			UEP95	MIGBM	0.0091									
	Feature Activations (DS0) Centrex Loops on Channelized DS1 Service														
	D4 Channel Bank Feature Activations														
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP95	1PQWS	0.66									
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP95	1PQW6	0.66									
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP95	1PQW7	0.66									
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP95	1PQWP	0.66									
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP95	1PQWV	0.66									
	Feature Activation on D-4 Channel Bank Tjje Line/Trunk Loop Slot			UEP95	1PQWQ	0.66									
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP95	1PQWA	0.66									
	Non-Recurring Charges (NRC) Associated with UNE-P Centrex														
	NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP95	USAC2	0.00	21.50	8.42				11.90			
	Conversion of Existing Centrex Common Block, each			UEP95	USACN		5.17	8.32				11.90			
	New Centrex Standard Common Block			UEP95	M1ACS	0.00	618.82					11.90			
	New Centrex Customized Common Block			UEP95	M1ACC	0.00	618.82					11.90			

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B		
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l				
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOMECD	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	NAR Establishment Charge, Per Occasion			UEP95	URECA	0.00	66.48					11.90				
	UNE-P CENTREX - DMS100 (Valid in All States)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo															
	UNE Port/Loop Combination Rates (Non-Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP9D		26.94										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP9D		31.06										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP9D		45.87										
	UNE Port/Loop Combination Rates (Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP9D		29.36										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP9D		34.43										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP9D		50.68										
	UNE Loop Rate															
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP9D	UECS1	12.94										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP9D	UECS1	17.06										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP9D	UECS1	31.87										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP9D	UECS2	15.36										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP9D	UECS2	20.43										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP9D	UECS2	36.68										
	UNE Port Rate															
	ALL STATES															
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP9D	UEPYA	14.00						11.90				
	2-Wire Voice Grade Port (Centrex 800 termination)Basic Local Area			UEP9D	UEPYB	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-PSET)3Basic Local Area			UEP9D	UEPYC	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5009)3Basic Local Area			UEP9D	UEPYD	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5209))3 Basic Local Area			UEP9D	UEPYE	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5112))3 Basic Local Area			UEP9D	UEPYF	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5312))3Basic Local Area			UEP9D	UEPYG	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5008))3 Basic Local Area			UEP9D	UEPYT	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5208))3 Basic Local Area			UEP9D	UEPYU	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5216))3 Basic Local Area			UEP9D	UEPYV	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5316))3 Basic Local Area			UEP9D	UEPY3	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID) Basic Local Area			UEP9D	UEPYH	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex/Caller ID/Msg Wtg Lamp Indication))3 Basic Local Area			UEP9D	UEPYW	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex/Msg Wtg Lamp Indication))3 Basic Local Area			UEP9D	UEPYJ	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center) 2 Basic Local Area			UEP9D	UEPYM	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-PSET)2, 3 Basic Local Area			UEP9D	UEPYO	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5009)2, 3 Basic Local Area			UEP9D	UEPYP	14.00	70.00	35.00	35.00	10.00		11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: B			
CATEGORY	RATE ELEMENTS		Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
							Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
								First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-5209)2, 3 Basic Local Area			UEP9D	UEPYQ	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5112)2, 3 Basic Local Area			UEP9D	UEPYR	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5312)2, 3 Basic Local Area			UEP9D	UEPYS	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5008)2, 3 Basic Local Area			UEP9D	UEPY4	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5208)2, 3 Basic Local Area			UEP9D	UEPY5	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5216)2, 3 Basic Local Area			UEP9D	UEPY6	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5316)2, 3 Basic Local Area			UEP9D	UEPY7	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9D	UEPYZ	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port terminated in on Megalink or equivalent Basic Local Area			UEP9D	UEPY9	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port Terminated on 800 Service Term Basic Local Area			UEP9D	UEPY2	14.00	70.00	35.00	35.00	10.00		11.90				
	FL & GA Only																
		2-Wire Voice Grade Port (Centrex)			UEP9D	UEPHA	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex 800 termination)			UEP9D	UEPHB	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex / EBS-PSET)3			UEP9D	UEPHC	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex / EBS-M5009)3			UEP9D	UEPHD	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex / EBS-M5209)3			UEP9D	UEPHE	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex / EBS-M5112)3			UEP9D	UEPHF	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex / EBS-M5312)3			UEP9D	UEPHG	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex / EBS-M5008)3			UEP9D	UEPHI	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex / EBS-M5208)3			UEP9D	UEPHJ	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex / EBS-M5216)3			UEP9D	UEPHK	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex / EBS-M5316)3			UEP9D	UEPH3	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex with Caller ID)			UEP9D	UEPHH	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex/Caller ID/Msg Wtg Lamp Indication)3			UEP9D	UEPHW	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex/Msg Wtg Lamp Indication)3			UEP9D	UEPHJ	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port (Centrex from diff Serving Wire Center) 2			UEP9D	UEPHM	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-PSET)2, 3			UEP9D	UEPHO	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5009)2, 3			UEP9D	UEPHP	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-5209)2, 3			UEP9D	UEPHQ	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5112)2, 3			UEP9D	UEPHR	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5312)2, 3			UEP9D	UEPHS	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5008)2, 3			UEP9D	UEPH4	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5208)2, 3			UEP9D	UEPH5	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5216)2, 3			UEP9D	UEPH6	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5316)2, 3			UEP9D	UEPH7	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9D	UEPHZ	14.00	180.00	110.00	85.00	20.00		11.90				
		2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP9D	UEPH9	14.00	70.00	35.00	35.00	10.00		11.90				
		2-Wire Voice Grade Port Terminated on 800 Service Term			UEP9D	UEPH2	14.00	70.00	35.00	35.00	10.00		11.90				

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Local Switching															
	Centrex Intercom Functionality, per port			UEP9D	URECS	0.7384										
	Local Number Portability															
	Local Number Portability (1 per port)			UEP9D	LNPC	0.35										
	Features															
	All Standard Features Offered, per port			UEP9D	UEPVF	0.00										
	All Select Features Offered, per port			UEP9D	UEPVS	0.00	370.70				11.90					
	All Centrex Control Features Offered, per port			UEP9D	UEPVC	0.00										
	NARS															
	Unbundled Network Access Register - Combination			UEP9D	UARCX	0.00	0.00	0.00			11.90					
	Unbundled Network Access Register - Inward			UEP9D	UARIX	0.00	0.00	0.00			11.90					
	Unbundled Network Access Register - Outdial			UEP9D	UARO	0.00	0.00	0.00			11.90					
	Miscellaneous Terminations															
	2-Wire Trunk Side															
	Trunk Side Terminations, each			UEP9D	CEND6	8.81										
	4-Wire Digital (1.544 Megabits)															
	DS1 Circuit Terminations, each			UEP9D	M1HD1	54.95										
	DS0 Channels Activated per Channel			UEP9D	M1HDO	0.00	15.69				11.90					
	Interoffice Channel Mileage - 2-Wire															
	Interoffice Channel Facilities Termination			UEP9D	MIGBC	25.32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP9D	MIGBM	0.0091										
	Feature Activations (DS0) Centrex Loops on Channelized DS1 Service															
	D4 Channel Bank Feature Activations															
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP9D	1PQWS	0.66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP9D	1PQW6	0.66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP9D	1PQW7	0.66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP9D	1PQWP	0.66										
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP9D	1PQWV	0.66										
	Feature Activation on D-4 Channel Bank Tie Line/Trunk Loop Slot			UEP9D	1PQWQ	0.66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP9D	1PQWA	0.66										
	Non-Recurring Charges (NRC) Associated with UNE-P Centrex															
	NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP9D	USAC2		21.50	8.42			11.90					
	Conversion of existing Centrex Common Block, each			UEP9D	USACN		5.17	8.32			11.90					
	New Centrex Standard Common Block			UEP9D	M1ACS	0.00	618.82				11.90					
	New Centrex Customized Common Block			UEP9D	M1ACC	0.00	618.82				11.90					
	NAR Establishment Charge, Per Occasion			UEP9D	URECA	0.00	66.48				11.90					
	UNE-P CENTREX - EWSD (Valid in AL, FL, KY, LA, MS & TN)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo															
	UNE Port/Loop Combination Rates (Non-Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP9E		26.94										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP9E		31.06										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP9E		45.87										
	UNE Port/Loop Combination Rates (Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP9E		29.36										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP9E		34.43										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP9E		50.68										
	UNE Loop Rate															

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: B	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l	
						Rec	Nonrecurring		Nonrecurring Disconnect							
							First	Add'l	First	Add'l	SOMECS	SOMAN	OSS Rates(\$)			
													SOMAN	SOMAN	SOMAN	
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP9E	UECS1	12.94										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP9E	UECS1	17.06										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP9E	UECS1	31.87										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP9E	UECS2	15.36										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP9E	UECS2	20.43										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP9E	UECS2	36.68										
	UNE Port Rate															
	AL, FL, KY, LA, MS, & TN only															
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP9E	UEPYA	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex 800 termination)Basic Local Area			UEP9E	UEPYB	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1Basic Local Area			UEP9E	UEPYH	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2 Basic Local Area			UEP9E	UEPYM	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP9E	UEPYZ	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent - Basic Local Area			UEP9E	UEPY9	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP9E	UEPY2	14.00	70.00	35.00	35.00	10.00		11.90				
	Florida Only															
	2-Wire Voice Grade Port (Centrex)			UEP9E	UEPHA	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP9E	UEPHB	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP9E	UEPHH	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP9E	UEPHM	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9E	UEPHZ	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP9E	UEPH9	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP9E	UEPH2	14.00	70.00	35.00	35.00	10.00		11.90				
	Local Switching															
	Centrex Intercom Functionality, per port			UEP9E	URECS	0.7384										
	Local Number Portability															
	Local Number Portability (1 per port)			UEP9E	LNPC	0.35										
	Features															
	All Standard Features Offered, per port			UEP9E	UEPVF	0.00										
	All Select Features Offered, per port			UEP9E	UEPVS	0.00	370.70					11.90				
	All Centrex Control Features Offered, per port			UEP9E	UEPVC	0.00										
	NARS															
	Unbundled Network Access Register - Combination			UEP9E	UARCX	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Indial			UEP9E	UAR1X	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Outdial			UEP9E	UAROY	0.00	0.00	0.00				11.90				
	Miscellaneous Terminations															
	2-Wire Trunk Side															
	Trunk Side Terminations, each			UEP9E	CEND6	8.81										
	4-Wire Digital (1.544 Megabits)															
	DS1 Circuit Terminations, each			UEP9E	M1HD1	54.95										
	DS0 Channel Activated Per Channel			UEP9E	M1HDO	0.00	15.69					11.90				
	Interoffice Channel Mileage - 2-Wire															
	Interoffice Channel Facilities Termination			UEP9E	MIGBC	25.32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP9E	MIGBM	0.0091										
	Feature Activations (DS0) Centrex Loops on Channelized DS1 Service															
	D4 Channel Bank Feature Activations															
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP9E	1PQWS	0.66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP9E	1PQW6	0.66										

Exhibit 2

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2		Exhibit: B			
CATEGORY	RATE ELEMENTS		Interi m	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
							Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)				
								First	Add'l	First	Add'l	SOME	SOMAN	SOMAN	SOMAN	SOMAN
		Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP9E	1PQW7	0.66									
		Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP9E	1PQWP	0.66									
		Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP9E	1PQWV	0.66									
		Feature Activation on D-4 Channel Bank Tjie Line/Trunk Loop Slot			UEP9E	1PQWQ	0.66									
		Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP9E	1PQWA	0.66									
		Non-Recurring Charges (NRC) Associated with UNE-P Centrex														
		NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP9E	USAC2		21.50	8.42				11.90			
		Conversion of Existing Centrex Common Block, each			UEP9E	USACN		5.17	8.32				11.90			
		New Centrex Standard Common Block			UEP9E	M1ACS	0.00	618.82					11.90			
		New Centrex Customized Common Block			UEP9E	M1ACC	0.00	618.82					11.90			
		NAR Establishment Charge, Per Occasion			UEP9E	URECA	0.00	66.48					11.90			
		Note 1 - Required Port for Centrex Control in 1AESS, 5ESS & EWSD														
		Note 2 - Requires Interoffice Channel Mileage														
		Note 3 - Requires Specific Customer Premises Equipment														
		Note: Rates displaying an "R" in Interim column are interim and subject to rate true-up as set forth in General Terms and Conditions.														

BELLSOUTH

**PRESENTATION
DOCKET NO. 030829-TP**

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 030829-TP EXHIBIT NO. 16
COMPANY/ BellSouth
WITNESS. Opening Presentation
DATE: 10-06-04



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**Timeline of
FDN Disconnect Billing Dispute
Docket 030829-TP**

<u>Date</u>	<u>Action Item</u>
July 1, 1998	FDN's 1 st Interconnection Agreement becomes effective ("1998 Agreement"). FDN adopted MCI's ICA dated June 3, 1997. The adoption was approved by the FPSC on October 12, 1998.
May 26, 1999	FPSC issued Order opening generic UNE pricing docket – Docket No. 990649-TP.
May 1, 2000	BellSouth, Sprint and Verizon filed cost studies for non-recurring UNE rates.
October 20, 2000	FDN enters into an Interim Agreement ("Interim Agreement") which extended the existing ICA until the parties' executed a new agreement. The Commission approved the Interim Agreement on January 22, 2001.
May 25, 2001	<i>UNE Cost Order</i> issued by FPSC in Docket No. 990649-TP, Order No. PSC-01-1181-FOF-TP in which among other things required BellSouth to refile its cost studies within 120 days of the <i>Order</i>
June 11, 2001	BellSouth files Motion for Reconsideration of the <i>UNE Cost Order</i> . MCI, AT&T, Covad and Z-tel file Motions as well
September 5, 2001	FDN enters into Stand Alone Agreement ("Stand Alone Agreement") which incorporates rates ordered by FPSC in <i>UNE Cost Order</i> .
September 24, 2001	BellSouth files 120-day cost study
October 18, 2001	FPSC issued <i>Order on Reconsideration</i>
September 27, 2002	<i>120-day Order</i> in UNE Cost proceeding, Order No. PSC-02-1311-FOF-TP in Docket No. 990649-TP
October 22, 2002	Direct Testimony of FDN in <i>Key Customer</i> proceeding (Docket No. 020119-TP) discussing disconnect charges when FDN does not submit disconnect order
November 25, 2002	Rebuttal Testimony of FDN in <i>Key Customer</i> proceeding
December 10, 2002	Email from Matt Feil (FDN) requesting an email to incorporate new FPSC UNE rates from <i>120-day Order</i>
December 27, 2002	Email from J. Hamman (BST) sending amendment that would have incorporated UNE rates
January 9, 2003	Email from Matt Feil (FDN) to J. Hamman raising issue of rate zone moves
February 5, 2003	FDN enters Current Interconnection Agreement ("Current Agreement") which incorporated rate changes from the FPSC's <i>120-day Order</i> . The FPSC approved the Current Agreement on June 9, 2003
February 19-20, 2003	Hearing for <i>Key Customer</i> proceeding. See transcript.
June 19, 2003	FPSC <i>Final Order</i> in <i>Key Customer</i> proceeding, Order No. PSC-03-0726-TP
August 14, 2003	FDN files complaint in this proceeding

<u>Date</u>	<u>Action Item</u>
September 3, 2003	BST files Answer and Counterclaim
September 22, 2003	FDN files Answer
November 20, 2003	FDN Amends Complaint
December 19, 2003	BST files Amended Answer & Counterclaim
January 5, 2004	FDN files Answer

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2

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by
Metropolitan Fiber Systems of
Florida, Inc. for arbitration
with BellSouth
Telecommunications, Inc.
concerning interconnection
rates, terms, and conditions,
pursuant to the Federal
Telecommunications Act of 1996.

DOCKET NO. 960757-TP

In re: Petition by AT&T
Communications of the Southern
States, Inc. for arbitration of
certain terms and conditions of
a proposed agreement with
BellSouth Telecommunications,
Inc. concerning interconnection
and resale under the
Telecommunications Act of 1996.

DOCKET NO. 960833-TP

In re: Petition by MCI
Telecommunications Corporation
and MCI Metro Access
Transmission Services, Inc. for
arbitration of certain terms
and conditions of a proposed
agreement with BellSouth
Telecommunications, Inc.
concerning interconnection and
resale under the
Telecommunications Act of 1996.

DOCKET NO. 960846-TP
ORDER NO. PSC-98-0604-FOF-TP
ISSUED: April 29, 1998

The following Commissioners participated in the disposition of
this matter:

JULIA L. JOHNSON, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.

I. BACKGROUND

On December 16, 1996, we issued Order No. PSC-96-1531-FOF-TP, in Docket No. 960757-TP. In that order, which involved Metropolitan Fiber Systems of Florida, Inc. (MFS) and BellSouth Telecommunications, Inc. (Bellsouth), we ordered BellSouth to file cost studies so that permanent rates could be established for specific unbundled network elements. On December 31, 1996, we issued Order No. PSC-96-1579-FOF-TP in Docket Nos. 960833-TP and 960846-TP. In that order, which involved BellSouth, AT&T Communications of the Southern States, Inc. (AT&T) and MCI Telecommunications, Inc. and MCI Metro Access Transmission Services, Inc. (MCI), we again ordered BellSouth to file cost studies specifically on those elements for which we had established interim rates so that permanent rates could be established.

Section 252(g) of the Telecommunications Act of 1996 (Act) provides that a state commission may, to the extent practical, consolidate proceedings under sections 214(e), 251(f), 253 and 252 to reduce administrative burdens on telecommunications carriers, other parties to the proceedings, and the state commission in carrying out its responsibilities under the Act. Thus, Docket Nos. 960833-TP, 960846-TP, and 960757-TP were consolidated and set for hearing.

On October 3, 1997, MFS filed a request to include issues in this proceeding regarding geographically deaveraged loops. By Order No. PSC-97-1303-PCO-TP, issued October 21, 1997, MFS's request was denied.

By Order No. PSC-97-1399-PCO-TP, issued November 6, 1997, American Communications Services, Inc./American Communications Services, Inc., of Jacksonville (ACSI) was granted intervention in this proceeding. Following that order, Intermedia Communications, Inc., (Intermedia), Time Warner AxS of Florida, L.P. (Time Warner), and Sprint Communications Company Limited Partnership/Sprint Metropolitan Network, Inc. (Sprint), respectively, filed petitions to intervene. By Order No. PSC-98-0007-PCO-TP, issued January 2, 1998, the prehearing officer reversed Order No. PSC-97-1399-PCO-TP.

On that same day, the prehearing officer issued Order No. PSC-98-0008-PCO-TP denying the respective intervention petitions of Intermedia, Time Warner and Sprint. ACSI, Sprint, Time Warner and Intermedia then filed petitions for reconsideration which were denied by the full Commission.

BellSouth contends that it should have, at the very least, a reasonable opportunity to recover its actual costs.²

We note that this constitutional issue was raised by BellSouth for the first time in its brief of the evidence. Thus, no other parties had the opportunity to address it. Accordingly, we will make no finding regarding that matter. We do note the following for informational purposes only.

The U.S. Supreme Court has addressed utility claims of unconstitutional takings in the rate of return regulation environment on several occasions. See, e.g., Chicago, Minneapolis & St. Paul R.R. v. Minnesota, 134 U.S. 418, 10 S.Ct. 462, 33 L.Ed. 970; Willcox v. Consolidated Gas Co., 212 U.S. 19, 29 S.Ct. 192, 53 L.Ed. 382; Bluefield Co. v. Public Service Commission, 262 U.S. 679, 43 S.Ct. 675, 67 L.Ed. 1176; Board of Public Utility Commissioners v. New York Telephone Co., 271 U.S. 23, 46 S.Ct. 363, 70 L.Ed. 808. The Court has held in each of these cases that rates set so low as to deny an adequate rate of return are confiscatory.

In the present competitive era established by the Act, rate of return regulation has, of course, been supplanted by market dynamics. New entrants are required to reach interconnection agreements with incumbent local exchange companies, either through negotiation or arbitration, that include only nondiscriminatory rates based on forward-looking costs. In these proceedings, we establish permanent rates for a number of UNEs for which we earlier approved only interim rates. The permanent rates we establish are derived using a TSLRIC methodology. This methodology reflects efficient, forward-looking costs, including a reasonable amount of shared and common costs. We sanctioned the TSLRIC methodology in

²BellSouth notes that when these same constitutional concerns were raised in the appeal of the FCC's First Report and Order, CC Docket No. 96-98, the U.S. Court of Appeals for the Eighth Circuit held that the claims were not ripe for review.

Order No. PSC-96-1579-FOF-TP as the appropriate methodology for establishing rates for UNEs. It is a methodology fully consistent with the pricing standard for UNEs defined in Section 252(d)(1) of the Act. Section 252(d)(1) requires that rates be based on cost without reference to a rate of return or other rate-based proceeding.

In Iowa Utilities Bd., 120 F.3d 753, the court responded to the challenge of the ILEC's that the FCC's unbundling rules provided CLECs with such extensive access to and use of the ILEC's networks as to effect unconstitutional takings of the ILEC's property. The court stated that it was skeptical that the unbundling rules that it had not vacated would effect a taking. Since it had also vacated many of the FCC's pricing rules, the court held that it could not presently determine whether the ILECs are receiving or will receive just compensation for providing competing carriers with access to their networks. Id. at 818. The court ruled that an ILEC could raise a ripe takings claim only if it has submitted the issue of rates for unbundled access to a state commission in an arbitration proceeding. Id.

F. Disconnect Costs - Non-recurring Charges

BellSouth

BellSouth proposes to include the costs of disconnection (disconnect) in its non-recurring charges for installing UNEs. These costs thus would be recovered "up-front" at the time of installation of service. The customer would be billed in the present for work to be done in the future. Disconnect costs would be discounted to recognize the time value of money and would be based on the estimated location life of the UNE installed. In the TELRIC Calculator, the disconnect work time is multiplied by the applicable labor rate, and a discount factor is applied to account for the fact that the work is performed in the future. This disconnect cost is then added to the calculated costs for installation, and the sum is the non-recurring charge for the UNE.

According to BellSouth witness Caldwell, disconnect factors are translators used to determine the costs associated with disconnecting a service. The calculation of discount factors is based on the expected life of the service and the highest interest rate that BellSouth is required to pay its customers for customer deposits, in this case, eight percent. The disconnect factor inflates the labor cost to the period of the future disconnect and then discounts this cost to the present. Witness Caldwell states that BellSouth uses 1996 forecasted labor inflation rates in its calculations of discount factors. She further states that BellSouth determines the time period for discounting, or location life of the element, based on historical data for inward and outward movement. She states that she does not believe that the introduction of competition would affect the frequency of in and out movement.

BellSouth witness Landry states that in its cost studies BellSouth recognizes the price of DOP. For example, when a disconnect order comes through for a 2-wire loop to a customer's premises, the loop is not physically disconnected. Thus, there would be no travel or work time to dismantle the circuit. Witness Landry states further that more complex circuits would require such work activity to recover equipment located at the customer premises. He also states that, after 12 months, if the facility has not been placed in service, it would be processed for reuse.

AT&T/MCI

AT&T/MCI opposes recovery of disconnect costs "up-front," arguing that this can lead to over-recovery of costs. For example, in a loop migration scenario, AT&T/MCI notes that disconnect costs were already recovered from the ILEC end users at the time of installation. Moreover, it disagrees with BellSouth's estimate of location lives.

AT&T/MCI witness Lynott proposes instead that disconnect costs be modeled separately, and that the CLEC pay for them only at the time such activity is physically performed. For example, if a CLEC end-user moved out of the premises, the CLEC may elect to leave the circuit in place as Dedicated Inside Plant and Dedicated Outside Plant (DIP/DOP), retaining soft dial tone for the next customer.

ORDER NO.PSC-98-0604-FOF-TP
DOCKETS NOS 960757-TP, 960833-TP, and 960846-TP
PAGE 78

In such situations, the CLEC would not have to pay to have the cross-connect in the central office disconnected or removed until the work is actually done.

Conclusion

Recovery of disconnect costs at the time of installation is standard practice in LEC end user local service tariffs. This is because it is commonly thought that end users understand and accept installation charges more readily than they do disconnection charges. We find, however, that this practice is unnecessary for CLECs. Disconnection of UNEs does not mean necessarily the end of a contractual relationship with the ILEC. Moreover, when a CLEC requests disconnection of a loop, BellSouth may not actually physically disconnect the line. Yet BellSouth has modeled the NRCs to include physical disconnect for every installation.

Based on the evidence in this record, we conclude that disconnect costs shall not be included in the non-recurring installation charges approved in these proceedings. Eliminating disconnect costs from up-front NRCs is a logical way to relieve some of the burden associated with high start-up costs. CLECs understand and accept that disconnect costs exist, and we believe it is more appropriate to assess those charges at the time the costs are in fact incurred. According to AT&T/MCI, this would also solve the problem of the dispute over location lives. Parties should have the opportunity to negotiate the method by which disconnect costs are calculated and recovered. Therefore, work times, labor rates, and discount factors that make up the calculations of disconnect costs shall be excluded from the calculation of installation costs that determine the non-recurring charges.

IV. SPECIFIC UNBUNDLED NETWORK ELEMENTS

A. Network Interface Device

Element Description

The FCC's rules define the NID as a cross-connect device used to connect loop facilities to inside wiring. 47 C.F.R. §51.319(b)(1)) Incumbent LECs are required to permit requesting telecommunications carriers to connect their own loops to the inside wiring of customer premises through the incumbent LEC's NID.

If spare capacity exists, a CLEC can connect its own loop directly

to BellSouth's NID. According to BellSouth's witness Caldwell, where spare capacity does not exist, BellSouth can replace that NID with another NID with additional capacity or a second NID can be installed with a cross-connect wire tying the two together. The second NID would belong to the CLEC and could be installed by the CLEC itself, or the CLEC could request BellSouth to install the NID. Therefore, we will set rates for the following elements or functions:

- NID
- NID to NID cross connect
- BellSouth installation of a CLEC NID

Recurring Charges

AT&T/MCI uses BellSouth's Loop Model and the TELRIC calculator for their recurring and non-recurring cost development. Of these three elements or functions, only the NID requires a recurring charge. Only non-recurring charges apply to the NID to NID cross connect and to the installation (by BellSouth) of a CLEC NID.

AT&T/MCI proposes several corrections to BellSouth's cost inputs for the BellSouth NID recurring charge. First, AT&T/MCI claims that BellSouth has excessive Bridge and Station Protector investment amounts. AT&T witness Wells states that a station protector has capacity for two voltage protection devices, and the 2-wire NID has capacity for two station protectors. Witness Wells states that BellSouth modeled two station protectors for each customer, because of BellSouth's assumption that it serves more than one line, but less than two lines, per customer. Witness Wells asserts that BellSouth should eliminate the difference in station protector investment between the average number of lines that BellSouth models per customer (two lines) and the average number of lines BellSouth claims it serves per customer.

BellSouth witness Caldwell disagrees with witness Wells' logic. She states that if there is an average of one and a quarter lines per customer, then two protectors would have to be modeled.

Upon review, we have determined that witness Wells' calculation considers the protector investment necessary to serve the total number of lines that BellSouth claims it provides. His

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into
pricing of unbundled network
elements.

DOCKET NO. 990649-TP
ORDER NO. PSC-01-1181-FOF-TP
ISSUED: May 25, 2001

The following Commissioners participated in the disposition of
this matter:

E. LEON JACOBS, JR., Chairman
J. TERRY DEASON
LILA A. JABER

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On behalf of AT&T Communications of the Southern States,
Inc.

DOCUMENT NUMBER-DATE

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travel." AT&T/WorldCom witness King eliminates travel time because he asserts that it is recovered in the recurring rate. Sprint witness McMahon believes, on the other hand, that BellSouth's travel time appears "reasonable."

Again, we disagree with witness King. We believe that if an ILEC is required to dispatch a technician, then some measure of travel time should be included because part of the activity must include getting to the work location, as noted by witness Caldwell. Although we are not entirely convinced that BellSouth's proposed time is reasonable, we are persuaded by Sprint witness McMahon's endorsement. Since the probability of travel time is dependent on the dispatch rate, we believe that BellSouth's 100 percent probability should be left as proposed. Therefore, we find that BellSouth's proposed time and probability for its Travel category shall not be adjusted but shall, instead, remain as BellSouth proposed.

13. ~~Additional Installation and First & Additional Disconnect~~

BellSouth's cost studies include work activities and work times for the first installation, and each additional installation, as well as for the first disconnect and each additional disconnect.

As can be seen in our earlier analysis of the ADSL loop, specifically for the AFIG, CPG, and Central Office Forces work groups, AT&T/WorldCom witness King does make adjustments to BellSouth's proposed work times and probabilities for the additional installation, and the first and additional disconnects. However, we are not persuaded by his explanations for these adjustments.

With regards to disconnect activities, Sprint witness McMahon asserts that:

For xDSL-capable loops, which Sprint considers to be any standard voice-grade all-copper loop (less than 18,000 feet in length and free of inhibitors), the only costs involved with disconnecting service would be a few minutes for a technician to remove the MDF jumper

wires. Sprint does not believe that BellSouth needs to or should send technicians to the cross connect boxes (SAI's) or serving terminals to perform any activities due to the industry-wide "cut-through" practice mentioned in the subject testimony.

The removal of jumpers in the central office is normally accounted for as a rearrangement and change maintenance expense. Generally, maintenance costs as such are recovered through the monthly recurring rates, unless adjustments are made in the Annual Charge Factor to offset these projected NRCs.

On their face, witness McMahon's assertions appear reasonable; however, we believe that overall there is a paucity of evidence for activities other than for the first installation.

Therefore, we believe that the appropriate way to address witness King's and witness McMahon's proposals and concerns, as well as the lack of record evidence, is through our adjustments to BellSouth's work times, described earlier in this issue. We believe this to be a reasonable, yet conservative approach. Therefore, our findings on specific activities apply whether the activities are for a first or additional installation or a first and additional disconnect. For example, our findings on the Local Carrier Service Center (LCSC) applies any time the LCSC is included in a cost study, whether it is the first or additional installation or disconnect.

In summary, we find that certain times shall be eliminated and others reduced. The following table illustrates our findings.

Adjustments to BellSouth's ADSL Loop Cost Study

Category	Commission Findings
Service Inquiry	
CRSG Incremental Time	Eliminate work times
CRSG	Reduce work times by 55%
LCSC	Reduce work times by 75%

Category	Commission Findings
Engineering	
SAC	Reduce work times by 50%
AFIG	Reduce work times by 50%
CPG	Reduce work times by 50%
Connect & Test	
UNEC Provisioning Variables	Eliminate work times
UNEC	Reduce work times by 45%
WMC	Reduce work times by 65%
CO I&M	Reduce work time by 20%
SSI&M	Reduce work times by 35%
Travel	
Travel	No adjustment

As a point of reference, we note that nonrecurring cost study issues have been considered in contracts arbitrated by this Commission. For example, in Order No. PSC-98-0604-FOF-TP, issued April 29, 1998 (the 1998 proceeding), this Commission excluded the Local Carrier Service Center (LCSC) costs from cost recovery in that proceeding:

We recognize that OSS costs, manual and electronic, may be recoverable costs incurred by BellSouth. We did not, however, contemplate in Order PSC-96-1579-FOF-TP [issued earlier in the same proceeding] that BellSouth would file cost studies including OSS costs in these proceedings other than for its legacy systems. We stated in Order PSC-98-0123-PCO-TP that, as it pertains to OSSs, only testimony regarding BellSouth's proposal to recover costs associated with its legacy systems shall be retained in the record for these proceedings.

Upon consideration, we find that BellSouth's LCSC costs are a component of its OSSs and therefore they must be excluded from recovery in these proceedings. Indeed, all ordering charges, manual or electronic, shall be excluded from the non-recurring rates in these proceedings.

Order No. PSC-98-0604-FOF-TP at p. 165.

Our finding in this proceeding retains the LCSC work group, but it adjusts downward BellSouth's proposed work times, based on the record evidence. The 1998 proceeding excluded LCSC costs from recovery based upon a prior Commission order in the same proceeding. Additionally, in this proceeding, BellSouth offers loops with loop makeup (which includes Service Inquiry) and without loop makeup (which excludes Service Inquiry). Therefore, we do not believe our finding in this proceeding is inconsistent with the 1998 proceeding.

This Commission also addressed nonrecurring work times in the same order three years ago:

As we earlier observe, the assumptions of BellSouth and AT&T/MCI concerning work functions and work times represent the spectrum boundaries for task work times involved in provisioning the loops here in question. We characterize AT&T/MCI's view as representing the "best case" scenario, the most automated, least cost provisioning. We do not believe that AT&T/MCI's view, which is optimistic, captures all of the manual intervention that is actually required to provision UNES. For example, according to witness Lynott, AT&T/MCI assumes that the time required to make a cross connect at the cross box, test the circuit with the central office at the premise and FDI [feeder distribution interface], tag the circuit, and complete the order only takes just over 30 minutes for 2-

wire loop distribution and only about 25 minutes for 4-wire HDSL compatible loops.

By the same token, BellSouth's view represents a "worst case" scenario. For example, witness Landry testifies that the time required for that same process takes about one hour and 35 minutes for 2-wire loop distribution and about 2 hours and 40 minutes for 4-wire HDSL compatible loops. In other examples, witness Landry testifies that BellSouth assumes 100 per cent dispatch to connect for all loops and that all xDSL loops are new.

We again find it appropriate to apply our judgment to reasonably resolve the disparities in the parties' positions. Thus, we shall reduce BellSouth's work time proposals by 25 percent of the difference between them and AT&T/MCI's proposals. BellSouth has its technicians in the field every day actually installing, repairing and maintaining service, and presumably has, for that reason, the better information with respect to the associated work times. We find, however, that BellSouth's proposed incidental travel time is acceptable without adjustment.

Order No. PSC-98-0604-FOF-TP at pp. 95-96.

We note that our findings in this proceeding generally differ from our 1998 Order. Our adjustments to BellSouth's work times in this proceeding are based on the evidence in this record; evidence that we believe firmly supports adjustments different from the adjustments in the 1998 proceeding.

14. BellSouth's CCS7 Signaling Transport
Nonrecurring Cost Study

BellSouth witness Caldwell lists an Excel spreadsheet file for Element # E.3, CCS7 Signaling Transport, ccs7_fl.xls. For this

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into
pricing of unbundled network
elements.

DOCKET NO. 990649-TP
ORDER NO. PSC-01-2051-FOF-TP
ISSUED: October 18, 2001

The following Commissioners participated in the disposition of
this matter:

E. LEON JACOBS, JR., Chairman
J. TERRY DEASON
LILA A. JABER

ORDER ON MOTIONS FOR RECONSIDERATION
AND MOTION TO CONFORM ANALYSIS

BY THE COMMISSION:

I. CASE BACKGROUND

On December 10, 1998, the Florida Competitive Carriers Association (FCCA), the Telecommunications Resellers, Inc. (TRA), AT&T Communications of the Southern States, Inc. (AT&T), MCIMetro Access Transmission Services, LLC and WorldCom Technologies, Inc. (WorldCom), the Competitive Telecommunications Association (Comptel), MGC Communications, Inc. (MGC), Intermedia Communications Inc. (Intermedia), Supra Telecommunications and Information Systems (Supra), Florida Digital Network, Inc. (Florida Digital Network), and Northpoint Communications, Inc. (Northpoint) (collectively, "Competitive Carriers") filed their Petition of Competitive Carriers for Commission Action to Support Local Competition in BellSouth's Service Territory. Among other matters, the Competitive Carriers' Petition asked that we set deaveraged unbundled network element (UNE) rates. The petition was addressed in Docket No. 981834-TP.

On May 26, 1999, we issued Order No. PSC-99-1078-PCO-TP, granting in part and denying in part the Competitive Carriers' petition. Specifically, we granted the request to open a generic UNE pricing docket for the three major incumbent local exchange providers, BellSouth Telecommunications, Inc. (BellSouth), Sprint-Florida, Incorporated (Sprint), and GTE Florida Incorporated

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ORDER NO. PSC-01-2051-FOF-TP
DOCKET NO. 990649-TP
PAGE 2

(GTEFL). Accordingly, this docket was opened to address the deaveraged pricing of UNEs, as well as the pricing of UNE combinations and nonrecurring charges. An administrative hearing was held on July 17, 2000, on the Part One issues identified in Order No. PSC-00-2015-PCO-TP, issued June 8, 2000. Part Two issues, also identified in Order No. PSC-00-2015-PCO-TP, were heard in an administrative hearing on September 19-22, 2000.

On May 25, 2001, we issued our Final Order on Rates for Unbundled Network Elements Provided by BellSouth. Within the Order, we addressed the appropriate methodology, assumptions, and inputs for establishing rates for unbundled network elements for BellSouth Telecommunications. We ordered that the identified elements and subloop elements be unbundled for the purpose of setting prices, and that access to those subloop elements shall be provided. We also determined that the inclusion of non-recurring costs in recurring rates should be considered where the resulting level of non-recurring charges would constitute a barrier to entry. In addition, we defined xDSL-capable loops, and found that a cost study addressing such loops may make distinctions based upon loop length. We then set forth the UNE rates, and held that they shall become effective when existing interconnection agreements are amended to incorporate the approved rates, and those agreements become effective. Furthermore, we ordered BellSouth to refile, within 120 days of the issuance of the Order, revisions to its cost study addressing xDSL-capable loops, network interface devices, and cable engineering and installation. The parties to the proceeding were also ordered to refile within 120 days of the issuance of the Order, proposals addressing network reliability and security concerns as they pertain to access to subloop elements.

On June 11, 2001, BellSouth filed its Motion for Reconsideration, requesting that we reconsider our decision in six respects. Specifically, BellSouth argues that we should reconsider our decisions regarding: (1) BellSouth's inflation adjustment; (2) the proposed hybrid copper/fiber xDSL-capable loop; (3) the provision of a "guaranteed" copper SL-1 loop; (4) the recovery of loop conditioning costs on loops less than 18,000 feet in length; (5) network interface device (NID) costs; and (6) Service Advocacy Center time discrepancies. Also on June 11, 2001, MCI WorldCom, AT&T, Covad, and Z-Tel (Movants) filed a Motion for Reconsideration and Clarification of certain decisions in the Order. They assert

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into
pricing of unbundled network
elements. (BellSouth Track)

DOCKET NO. 990649A-TP
ORDER NO. PSC-02-1311-FOF-TP
ISSUED: September 27, 2002

The following Commissioners participated in the disposition of
this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
MICHAEL A. PALECKI

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Inc.

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inflation factor at this time, rather than as a part of the 120-day filing, due to the significant impact that the inflation factor has on costs.

Order No. PSC-01-2051-FOF-TP, pp. 6-7.

Therefore, the inflation issue was not one of our requirements for BellSouth's 120-day filing.⁷

According to BellSouth witness Caldwell, the cost studies filed by BellSouth incorporate all of the adjustments we ordered. The witness notes that her testimony provides a description of the modifications and that the cost study contains a detailed discussion of the adjustments made in order to comply with our directives. No other party provided any testimony on this issue nor did any party, other than BellSouth, take a position on this issue.

DECISION

We have reviewed our Orders in this docket and apart from the requirements addressed in Issues 1-6, it does not appear that there are any issues that BellSouth has failed to address. Therefore, we find that apart from Issues 1-6, BellSouth's 120-Day filing is consistent with our Orders in this docket.

VIII.

DOCKET CLOSING

Having made our findings and adopted the appropriate positions on the issues, this track of this docket may be closed. BellSouth's UNE rates, as established herein, may be incorporated as amendments to existing interconnection agreements. Therefore, upon consideration, we find that it is appropriate for the rates to become effective when the interconnection agreements are amended to reflect the approved UNE rates and the amended agreement becomes effective under the law. For new interconnection agreements, the rates shall become effective when we approve the agreement. Pursuant to Section 252 (e) (4) of the Telecommunications Act of 1996, should we fail to act to approve or reject the agreement adopted by negotiation within 90 days after submission by the

⁷Inflation was made an issue by the ALECs at the issue identification meeting.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Expedited Review }
and Cancellation of BellSouth }
Telecommunications, Inc.'s Key Customer }
Promotional Tariffs and For an }
Investigation Of BellSouth's Promotional }
Pricing And Marketing Practices by }
Florida Digital Network, Inc. }

Docket No. 020119-TP

In Re: Petition for Expedited Review }
and Cancellation of BellSouth }
Telecommunications, Inc.'s Key Customer }
Promotional Tariffs by the Florida }
Competitive Carrier's Association }

Docket No. 020578-TP

DIRECT TESTIMONY OF
MICHAEL P. GALLAGHER

FILED ON BEHALF OF
FLORIDA DIGITAL NETWORK, INC.

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1 BellSouth an installation fee of well over 3 times the monthly charge just to
2 move the customer from BellSouth to ALEC services. Plus the ALEC must
3 incur its own customer acquisition costs. The ALEC must then pay a
4 continuing monthly fee to BellSouth to provide services over BellSouth
5 facilities. Upon completing a customer conversion, an ALEC has reduced the
6 consumer's telecommunication costs and increased BellSouth wholesale
7 revenues. However, if after the ALEC acquires a customer, BellSouth via the
8 2002 Key Customer Program descends upon the customer and offers a steep
9 40% discount from BellSouth's original rates, BellSouth may entice the
10 customer to rejoin BellSouth. If BellSouth is successful, the ALEC has now
11 lost a customer for which costs have been incurred (costs largely not
12 recovered), causing significant financial harm to the ALEC. But the pain and
13 irony continue in that BellSouth will bill the ALEC a fee equal to 1.5 times
14 the monthly charge to disconnect the customer's service even though the
15 ALEC submitted no order for and played no part in the disconnection.

16 ALECs provide a beneficial service to Florida's consumers by
17 reducing the rates the consumers had been paying to BellSouth, and the
18 ALECs enhance BellSouth operations via nonrecurring charges and
19 continued monthly wholesale charges in the place of BellSouth's retail
20 customer charges. And yet, for this service, ALECs have been made prey to
21 BellSouth "promotions" whereby the ALEC is left without revenue or a
22 customer, and instead is left with a bill from BellSouth and significant
23 unrecovered costs.

1 below the Key Customer price would generate revenue of \$73.77 to cover
2 costs of \$59.13, or a margin of just under 20% -- not much better than the
3 resale margin and not enough to cover an ALEC's cost and not enough to
4 encourage new investment in ALECs. Thus, it is not just a question of the
5 margins being too thin to promote facilities based competition, but in many
6 cases there will be no margin at all.

7 Stressing the geography issue again, I note that while BellSouth's
8 discounts are placing downward pressure on rates, the Commission's UNE
9 rate structure places an upward pressure on costs. By recent Commission
10 decisions (including Order No. PSC-02-1311-FOF-TP, issued September 27,
11 2002), there are very limited UNE Zone 1 access lines and Central Offices
12 ("COs") and the vast majority of BellSouth's access lines and COs are in
13 UNE Zones 2 and 3. Exhibit No. ____ (MPG-2) is a map illustrating the
14 limited geography covered by Zone 1 COs. Zone 2 and 3 UNEs cost
15 significantly more than UNEs in Zone 1, and that fact alone serves as a
16 deterrent to ALECs contemplating geographic expansions into Zones 2 and 3.

~~17 However, BellSouth's promotions in Zone 2 rate centers, for example, serve~~
18 as an even greater deterrent.

19 Should an ALEC attempt to meet or beat the Key Customer prices
20 where those prices are available, the ALEC's overall margins would mortally
21 suffer. Significantly, there are over 120 Hot Wire Centers per the June 2002
22 Key Customer tariff, but there are only 38 UNE Zone 1 wire centers where
23 lower UNE rates are available to the ALECs. Less than one-third of all of the

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of

PETITION FOR EXPEDITED REVIEW DOCKET NO. 020119-TP
AND CANCELLATION OF BELL SOUTH
TELECOMMUNICATIONS, INC.'S
KEY CUSTOMER PROMOTIONAL
TARIFFS AND FOR INVESTIGATION
OF BELL SOUTH'S PROMOTIONAL
PRICING AND MARKETING PRACTICES,
BY FLORIDA DIGITAL NETWORK, INC.

PETITION FOR EXPEDITED REVIEW AND DOCKET NO. 020578-TP
CANCELLATION OF BELL SOUTH
TELECOMMUNICATIONS, INC.'S KEY
CUSTOMER PROMOTIONAL TARIFFS BY
FLORIDA COMPETITIVE CARRIERS
ASSOCIATION

PETITION FOR EXPEDITED REVIEW AND DOCKET NO. 021252-TP
CANCELLATION OR SUSPENSION OF
BELL SOUTH TELECOMMUNICATIONS,
INC.'S KEY CUSTOMER TARIFF FILED
12/16/02 BY FLORIDA DIGITAL
NETWORK, INC.

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FLORIDA PUBLIC SERVICE COMMISSION

PROCEEDINGS: HEARING

BEFORE: CHAIRMAN LILA A. JABER
COMMISSIONER J. TERRY DEASON
COMMISSIONER BRAULIO L. BAEZ
COMMISSIONER CHARLES M. DAVIDSON
COMMISSIONER RUDOLPH "RUDY" BRADLEY

DATE: Wednesday, February 19, 2003

TIME: Commenced at 9:35 a.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: TRICIA DeMARTE, RPR
Official FPSC Reporter
(850) 413-6736

APPEARANCES: (As heretofore noted.)

FLORIDA PUBLIC SERVICE COMMISSION

1 activity at all. I think what we're saying here is that on a
2 specific basis, usually like a customer request, Mr. Gallagher
3 mentioned the one associated with DSL, we would pull up and see
4 that another CLEC was involved.

5 Q And you're saying you would not use that information,
6 that LSR information, to initiate a retention effort?

7 A It's against our policy to use that information for a
8 retention effort. However, if the customer calls and says,
9 Mr. Gallagher has offered me a fine deal here on telephone
10 service at a cheap price, what do you have, BellSouth, then,
11 you know, we feel free to respond.

12 Q But isn't it correct that every ADSL order -- or LSR,
13 excuse me. Let me back up.

14 Every LSR that has ADSL on it is clarified by
15 BellSouth? You want me to rephrase the question?

16 A Yes. I was just thinking through it. Yes, it's sent
17 back to the CLEC for clarification. It kicks out.

18 Q Okay. So the LSR comes in; it's been clarified. A
19 customer calls up to have ADSL moved from line one to line
20 three. That sales representative who gets that customer call
21 knows that the LSR has been submitted and clarified; correct?

22 A I don't know. I'm really not a systems person, so I
23 don't know if that's exactly the process.

24 Q Do you know whether or not an LSR submitted to
25 BellSouth would be clarified if there was a local service

1 freeze on the line?

2 A I don't know the process.

3 Q Okay. On Page 25, Line 23 of your rebuttal --

4 A Give me one second.

5 Q -- you talk about discount charges.

6 A Yes.

7 Q I'm going to hand you the recent interconnection
8 agreement that FDN and BellSouth signed, and I want you to show
9 me where the subject of disconnection charges is addressed.

10 And the question, Mr. Ruscilli, is, where is it
11 described how, when, and wherefore disconnection charges apply?

12 A And my response, by the way, was in response to
13 Mr. Gallagher, but it was generic to ALECs, and it's whether or
14 not you have disconnect -- yeah, nonrecurring disconnect, and
15 it's on Page 139 of 509 which is the beginning of the price
16 list for unbundled network elements. And if you look at rates,
17 which is in the center of the page, and you go down, you will
18 see a series of columns that say "nonrecurring disconnect."

19 Q Okay. Can you tell me where in the interconnection
20 agreement it states how, when, and where that charge applies?

21 A That I'm not familiar enough with this particular
22 agreement or agreements in general to tell you where that's at.

23 Q Would you agree, subject to check, that it doesn't
24 say?

25 A I couldn't agree one way or the other. I'll take --

1 if you're saying subject to check, we'll take that, but it does
2 say it in the price list.

3 Q Well, we can try this though. I can show you the
4 Commission's order approving those UNE rates, and I can ask you
5 if you can find in there where it states how, when, and where
6 the disconnection charge applies. Would you like to go through
7 that exercise, or would you agree subject to check?

8 A No, I just said -- I'm sorry, sir, I apologize. I
9 didn't mean to sound impolite. I said I would take it subject
10 to check.

11 MR. FEIL: Okay. If you give me a moment, Madam
12 Chair, that may be all I have. I have nothing further at this
13 time.

14 CHAIRMAN JABER: Thank you, Mr. Feil.
15 Staff.

CROSS EXAMINATION

17 BY MS. DODSON:

18 Q Good afternoon, Mr. Ruscilli. I'm Linda Dodson, and
19 we only have a few questions for you.

20 A Good afternoon, Ms. Dodson.

21 Q Mr. Ruscilli, your testimony covers a variety of
22 issues but mainly addresses policy considerations; is that
23 correct?

24 A That's correct.

25 Q I have a line of questions about CLUB billing and

1 another line about termination liabilities. I'm going to start
2 with the termination liabilities.

3 A Yes, ma'am.

4 Q I believe both you and BellSouth witness John Casey
5 provided testimony on termination liabilities; is that correct?

6 A Yes, we did.

7 Q I have some policy-oriented questions about it, and
8 to lay the framework -- the groundwork for the questions, I'll
9 refer to a portion of Mr. Casey's testimony and one of his
10 exhibits.

11 A I don't have those in front of me. Do I need to have
12 those?

13 Q Yes. If you could --

14 A I do not have his testimony or his exhibits in front
15 of me.

16 MS. WHITE: I've got it.

17 MS. DODSON: Thank you.

18 THE WITNESS: Yes, ma'am, I have it now. If you
19 would direct me.

20 BY MS. DODSON:

21 Q Okay. We're probably going to ask these questions of
22 Mr. Casey, but since the questions are policy-oriented, I
23 wanted to ask them to you too.

24 A Okay.

25 Q I want to ask you a specific question about some

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

COPY

In Re: Petition for Expedited Review and
Cancellation or Suspension of BellSouth
Telecommunications, Inc.'s Key Customer
Tariff filed 12/16/02, by
Florida Digital Network, Inc.

Docket No. 021252-TP

In Re: Petition of Florida Digital Network,
Inc., for Expedited Review and Cancellation
of BellSouth's Telecommunications, Inc.'s
Key Customer Promotional Tariffs
and For an Investigation of BellSouth
Telecommunications, Inc.'s Promotional
Pricing and Marketing Practices.

Docket No. 020119-TP

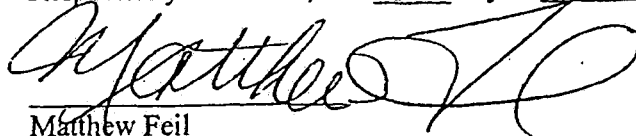
In re: Petition of the Florida Competitive Carriers
Association for Expedited Review and Cancellation
of BellSouth Telecommunications, Inc.'s Key
Customer Promotional Tariffs.

Docket No. 020578-TP

**FLORIDA DIGITAL NETWORK, INC.'S NOTICE OF SERVING RESPONSES TO
THE FLORIDA PUBLIC SERVICE COMMISSION STAFF'S FIFTH SET OF
INTERROGATORIES (NOS. 36 - 37)**

Florida Digital Network, Inc., ("FDN" or "Florida Digital") hereby provides notice that it has served its responses to the Commission Staff's Fifth Set of Interrogatories, numbered 36 through 37, to staff and the parties to this docket.

Respectfully submitted, this 5th day of Feb 2003.



Matthew Feil
Florida Digital Network, Inc
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Orlando, FL 32801
407-835-0460
mfeil@floridadigital.net

factors, ALECs cannot set termination liability so high that prospective customers will shy away from the ALEC's services. Realistically, ALECs cannot peg early termination liability at the level of the ALEC's unrecovered costs and ever hope to successfully market their services. Further, the prospect of ALECs actually collecting early termination liability charges from customers who no longer receive ALEC services presents another set of problems. ALECs like FDN experience difficulty in collecting early termination fees, since many departed customers simply ignore the payment obligation, and collections prove to be problematic.

C. Does FDN recoup BellSouth disconnect fees? If so, how?

If the question is asking whether FDN has collected from customers leaving FDN service as a line-item charge the disconnect fee BellSouth has charged FDN, the answer is "No." FDN acknowledges that it may have the right to do so; however, see the answer to the foregoing subpart to this interrogatory regarding the impracticality of doing so. More importantly, however, consider the equities of the situation. BellSouth has wrested the customer away from the ALEC (depriving the ALEC of revenue altogether while BellSouth had enjoyed wholesale revenue when the customer was in ALEC service), and BellSouth then turns around and waives its retail connection charges to that customer under the Key Customer tariff. It is bad enough that BellSouth charges ALECs a disconnect fee for the privilege of taking the ALEC customers away, but to also expect that ALECs would then bill the customer for BellSouth's benefit is simply unfair. BellSouth should absorb any disconnect fee/cost since BellSouth has the benefit of the customer, caused the cost to be incurred, and then even waived its retail connection charges.

D. Please provide a further explanation of the "fee equal to 1.5 times the monthly charge to disconnect the customer's service even though the ALEC submitted no order for and played no part in the disconnection."

Per the Commission's Order No. PSC-01-2051-FOF-TP, issued October 18, 2001, a zone 1, SL-1 VG loop has an monthly recurring charge (MRC) of \$12.79 and a disconnect-only fee of \$25.62 for first and \$6.57 for additional, and a zone 1 SL-2 VG loop has an MRC of \$14.50 and a disconnect-only fee of \$63.53 for first and \$12.01 for additional. Per Commission Order No. PSC-02-1311-FOF-TP, issued September 27, 2002, the Commission changed the zone 1, SL-1 VG loop MRC to \$10.69 and the zone 1 SL-2 VG loop MRC to \$12.24, but left the disconnect-only fee as is.

FDN generalized in its testimony and acknowledges that whether the disconnect fee will be 1.5 times the MRC in a given case depends on the number and type of loops. For the first line, in all cases, the disconnect fee exceeds 1.5 times the MRC. Further, by way of example, a customer with 3 SL-2 loops under current rates, the disconnect fee is more than 2 times the MRC for those lines (\$87.55 versus \$37.20). In some situations, the total disconnect fee will be at a level closer to the total MRC.

E. Is the disconnect fee addressed in the current BellSouth-FDN interconnection agreement? If so, please identify the Section and Page references.

FDN does not dispute that there is a nonrecurring disconnect fee in its BellSouth interconnection agreement in the rate schedules included in Attachment 2 (UNEs) to the new interconnection agreement filed in FPSC Docket No. 010098. Nor does FDN dispute that the Commission had approved a nonrecurring disconnect fee. The question in this case, however, is when and whether it is fair for that charge to be absorbed by ALECs. FDN maintains that BellSouth should absorb any disconnect costs, as explained above.

Answered by: Mike Gallagher, FDN, CEO

Interrogatory No. 37. At page 20, lines 2-3, of Michael P. Gallagher's direct testimony, he states:

"I believe that any permitted discounts must be narrowly designed to meet the competitors' offerings in specific geographies. Thus, for example, if the Commission permits BellSouth to offer a discount of non-basic services in a geographic area (such as an area served by Hot Wire Center) to meet the specific offering of a competitor, the Commission should not permit the BellSouth discount to apply to different locations of the same business entity regardless of geography (such as areas outside Hot Wire Center locations) unless competitors can also make the same multi-location offer. Even so, other businesses located outside the Hot Wire Centers will claim discrimination."

A. Does FDN offer additional incentives to potential customers located in BellSouth "Hot Wire Centers" that are not offered to potential customers outside of "Hot Wire Centers"? Please explain your answer.

No. Further, as FDN has pointed out previously, virtually every single LSO in which FDN offers services in the BellSouth Florida footprint is in a BellSouth Hot Wire Center.

The Commission must recognize that BellSouth is preying on the geographic limitations of facilities-based competitors by focusing its Key Customer programs on the Hot Wire Centers where facilities-based carriers like FDN operate, rather than offering the same discounts to all customers within the business class. Facilities-based carriers rely on

7



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of

Complaint of FDN Communications)
for Resolution of Certain Billing Disputes)
and Enforcement of UNE Orders and)
Interconnection Agreements with)
BellSouth Telecommunications, Inc.)

Docket No. 030829-TP

**FDN COMMUNICATIONS' RESPONSES TO BELL SOUTH
TELECOMMUNICATIONS, INC.'S FIRST SET OF INTERROGATORIES (NOS.
1-28) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-2)**

Florida Digital Network, Inc., d/b/ FDN Communications ("FDN") pursuant to Rule 28.106-206, Florida Administrative Code, Rule 1.340, Florida Rules of Civil Procedure and Order No. PSC-04-0121-PCO-TP, issued February 4, 2004, hereby serves its responses to BellSouth Telecommunications Inc.'s ("BellSouth") First Set of Interrogatories (Nos. 1-28) and First Request for Production of Documents (Nos. 1-2).

Subject to the objections stated herein, FDN answers BellSouth's discovery as follows:

INTERROGATORIES AND REQUESTS FOR ADMISSIONS

1. Referring to paragraph 6 of the Amended Complaint, describe the circumstances when "FDN has initiated the disconnect request because of FDN's own or its own customers' needs". Explain with particularity the types of disconnect nonrecurring orders as well as the disconnect nonrecurring charges that FDN *does not* dispute. Your explanation should include a description of the specific types of orders that FDN submits.

FDN may have occasion to initiate a disconnect request if, for example, a customer wants to drop a line by going from five lines to four. FDN does not dispute that certain charges associated with such disconnects would be appropriate because FDN caused the disconnect to occur. In such cases, FDN would typically submit disconnect orders for loops and directory listings.

Answer provided by: Kevin Monroe, V.P., Service Delivery

email

2. Referring to paragraph 6 of the Amended Complaint and referring also to the Introduction section of FDN's Answer to BellSouth's Counterclaim filed on January 6, 2004 ("Answer"), describe with specificity the circumstances in which "FDN is the cost-causer." State all facts and identify all documents that refer to or relate to the statement that "FDN accepts paying the disconnect fees when FDN is the cost-causer." State all facts and identify all documents that support your contention that "FDN is not the cost-causer in the disputes at bar."

FDN is the cost-causer when, for example, it initiates a disconnect order for an FDN customer who wants to drop a line by going from five lines to four.

Support for FDN's cost-causer argument is found in the FCC's TELRIC methodology, as detailed in the FCC's Local Competition Order. See answer to Interrogatory No. 17 for additional information.

When FDN wins a customer from BellSouth. FDN compensates BellSouth for the cost of disconnecting the loop from BellSouth's network as part of the install NRC it pays to BellSouth. FDN asserts when BellSouth or a CLEC ordering through BellSouth wins a customer from FDN, BellSouth should bear the cost of disconnecting the customer from FDN's network, just as FDN bore the cost of disconnection from BellSouth in the reverse situation. BellSouth initiates the process for customers of FDN to port to BellSouth or to a CLEC ordering through BellSouth via orders (LSRs) submitted to FDN.

Answer provided by: August H. Ankum, Ph.D.

3. Describe with particularity the types of disconnect nonrecurring charges that FDN disputes. Your description should include a description of the particular types of orders that FDN disputes.

FDN disputes the following disconnect NRCs: UEAL2 (loop) \$63.53; PE1P2 (cross-connect) \$5.74; SOMAN (service order - manual) \$1.83. Upon information and belief, BellSouth bills FDN the aforementioned fees when BellSouth wins back a customer and when a CLEC ordering through BellSouth wins an FDN-customer. Because FDN has not yet been able to examine BellSouth's cost support for its non-recurring charges, FDN reserves the right to modify or supplement this answer.

Answer provided by: Sharon Warren, Manager, Network Cost

4. Please admit that FDN is not contesting the disconnect nonrecurring *rate*.

In principle, FDN admits that it is not contesting the disconnect nonrecurring rate. However, because FDN has not yet been able to examine BellSouth's cost support for its non-recurring charges, FDN reserves the right to modify or supplement this answer.

Answer provided by: Sharon Warren, Manager, Network Cost

5. If the foregoing Request for Admission is denied, state all facts and identify all documents that support such denial.

Not applicable.

6. Please admit that FDN prefiled testimony in Docket No. 990649-TP, which included recommended nonrecurring disconnect rates.

OBJECTION: FDN objects to the instant interrogatory on the basis that it not relevant to the subject matter of this action.

Objection by Counsel.

Subject to and without waiving the objection, FDN answers as follows: FDN admits that it prefiled testimony in Docket No. 990649-TP which included recommended nonrecurring disconnect rates, however, FDN flatly rejects any implication embodied in the instant interrogatory that FDN should have disputed the application of such charges at that time. Neither BellSouth nor the Commission addressed the proper application of the disconnect rates in Docket No. 990649-TP, and it is the application of disconnect charges that is the core issue in this case. FDN first prefiled the testimony referred to herein nearly four years ago, in 2000, at a time when the competitive environment was vastly different and "winbacks" were largely unheard of.

Admission responded to by FDN

7. If the foregoing Request for Admission is denied, state all facts and identify all documents that support such denial.

See answer above. Not applicable.

8. Please admit that FDN filed a prehearing statement in Docket No. 990649-TP, which included recommended nonrecurring disconnect rates.

OBJECTION: FDN objects to the instant interrogatory on the basis that it not relevant to the subject matter of this action.

Objection by Counsel.

Subject to and without waiving the objection, FDN answers as follows: FDN admits that it filed a prehearing statement in Docket No. 990649-TP which included recommended nonrecurring disconnect rates, however, FDN flatly rejects any implication embodied in the instant interrogatory that FDN should have disputed the application of such charges at that time. Neither BellSouth nor the Commission addressed the proper application of the disconnect rates in Docket No. 990649-TP, and it is the application of disconnect charges that is the core issue in this case. FDN first filed the prehearing statement referred to herein nearly four years ago, in 2000, at a time when the competitive environment was vastly different and "winbacks" were largely unheard of.

Admission responded to by FDN

9. If the foregoing Request for Admission is denied, state all facts and identify all documents that support such denial.

See answer above. Not applicable.

10. Referring to paragraph 7(a) of the Amended Complaint, describe with specificity how BellSouth "gets the benefit of" a port back transaction in which an FDN end user customer transfers service to another carrier, such as AT&T. Explain how such a transaction varies from a BellSouth end user customer transferring service to FDN.

Paragraph 7(a) makes no reference to a port back transaction in which an FDN end user customer transfers service to a carrier other than BellSouth.

Answer provided by: August H. Ankum, Ph.D.

11. Referring to paragraph 6 of the Amended Complaint, does FDN ever "order through" BellSouth?

If FDN orders UNE-P or resale services, FDN submits orders directly to BellSouth.

Answer provided by: Kevin Monroe, V.P., Service Delivery

12. Please describe with specificity how "disconnecting the FDN loop" in the situation in which an FDN end user transfers service to BellSouth or another carrier is "just as much a part of the cutover process" if this Commission ordered separate installation and disconnect rates.

OBJECTION: FDN seeks clarification of the instant interrogatory. FDN does not understand what the question is asking.

Objection by Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of

Complaint of FDN Communications)	
for Resolution of Certain Billing Disputes)	
and Enforcement of UNE Orders and	)	Docket No. 030829-TP
Interconnection Agreements with)	
BellSouth Telecommunications, Inc.)	

FDN COMMUNICATIONS' SUPPLEMENTAL RESPONSES TO BELL SOUTH TELECOMMUNICATIONS, INC.'S FIRST SET OF INTERROGATORIES (NOS. 1-28) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-2)

Florida Digital Network, Inc., d/b/a FDN Communications ("FDN") pursuant to Rule 28.106-206, Florida Administrative Code, Rule 1.340, Florida Rules of Civil Procedure and Order No. PSC-04-0121-PCO-TP, issued February 4, 2004, hereby serves the following supplemental responses to BellSouth Telecommunications Inc.'s ("BellSouth") First Set of Interrogatories (Nos. 1-28) and First Request for Production of Documents (Nos. 1-2).

FDN incorporates herein by reference all of its previously filed general and specific objections. Any responses provided by FDN in response to this discovery will be provided subject to and without waiving any of FDN's previously filed objections.

INTERROGATORIES AND REQUESTS FOR ADMISSIONS

3. Describe with particularity the types of disconnect nonrecurring charges that FDN disputes. Your description should include a description of the particular types of orders that FDN disputes.

FDN disputes the following disconnect NRCs: UEAL2 (SL2 loop) \$63.53; UEAL2 (SL1 loop) \$25.62; PE1P2 (cross-connect) \$5.74; SOMAN (service order - manual) \$1.83. Upon information and belief, BellSouth bills FDN the aforementioned fees when BellSouth wins back a customer and when a CLEC ordering through BellSouth wins an FDN customer. ~~Because FDN has not yet been able to examine~~

~~BellSouth's cost support for its non-recurring charges, FDN reserves the right to modify or supplement this answer.~~

Answer provided by: Sharon Warren, Manager, Network Cost

28. Please state whether the total amounts in dispute for both disconnect orders and the UNE zone changes remain approximately \$100,000.00 and \$85,000.00. If not, please state the amount currently in dispute. If FDN contends that the amounts in dispute accrue on a monthly basis, provide the approximate amount of such monthly accrual.

At this time, FDN contends that the amounts in dispute are as follows:

Disconnect orders: "Q" Accounts = \$116,777.64; "N" Accounts = \$33,873.59;
TOTAL = \$150,651.23.

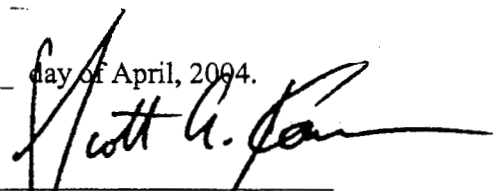
UNE zone changes: Q" Accounts = \$79,300.14; "N" Accounts = \$77,402.32;
TOTAL = \$156,702.46.

Concerning the disconnect charges, FDN disputes new charges as they are billed to FDN by BellSouth.

FDN avers that it does not accrue on a monthly basis any charges related to the zone changes (other than any late payment charges that BellSouth may bill to FDN) since these charges relate to a specific period of time, i.e., October 2002 through February, 2003.

Answer provided by: Sharon Warren, Manager, Network Cost

Respectfully submitted, this 21 day of April, 2004.



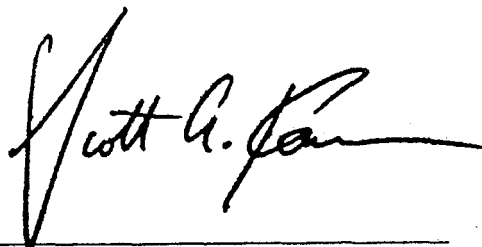
Matthew Feil
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2301 Lucien Way
Suite 200
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407-447-6636
mfeil@mail.fdn.com
skassman@mail.fdn.com

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was sent by e-mail and regular mail to the persons listed below, other than those marked with an (*) who have been sent a copy via overnight mail, this 21 day of April, 2004.

BellSouth Telecommunications, Inc.
Nancy B. White/Meredith Mays
C/O Ms. Nancy H. Sims
150 S. Monroe Street
Suite 400
Tallahassee, FL 32301-1556
nancy.sims@bellsouth.com
nancy.white@bellsouth.com
meredith.mays@bellsouth.com

Mr. Lee Fordham
Staff Counsel
Florida Public Service Commission
2540 Shumard Oak Blvd.
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8 |

ATTACHMENT I

PRICE SCHEDULE

1. General Principles

1.1 All rates provided under this Agreement are permanent unless otherwise indicated in Table I, subject to true-up, and shall remain in effect until the Commission determines otherwise or unless they are not in accordance with all applicable provisions of the Act, the Rules and Regulations of the FCC in effect, or the Commission's rules and regulations, in which case Part A, Section 2 shall apply.

1.2 Except as otherwise specified in this Agreement, the Act or any Commission order, each Party shall be responsible for all costs and expenses that it incurs to comply with its obligation under this Agreement.

2. Local Service Resale

The rates that MCI~~m~~ shall pay to BellSouth for Resale shall be an amount equal to BellSouth's tariffed rates for each resold service as reduced by a percentage amount equal to the wholesale discount (set forth below in section 2.1, below). If BellSouth reduces such tariffed rates during the term of this Agreement, the wholesale discount shall be applied to the reduced tariffed rates.

2.1 The following wholesale discount will apply to all Telecommunications Services available for resale in Florida:

Residential Service: 21.83 %

Business Service: 16.81 %

3. Unbundled Network Elements

The charges that MCI~~m~~ shall pay to BellSouth for Network Elements are set forth in Table 1 of this Attachment.

4. Ancillary Functions and Supporting Elements

The interim prices for collocation, AIN and other Ancillary Functions or Supporting Elements that MCI~~m~~ shall pay to BellSouth are set forth in Table 1 of this Attachment.

By and Between
BellSouth Telecommunications, Inc.
And
Florida Digital Network (Interim) - FL

2. Attachment 1, Exhibit A of the Interim Agreement dated October 20, 2000 and the Amendment to the Interim Agreement to add Dark Fiber rates dated March 20, 2001 are hereby amended to include those rates ordered by the Florida Public Service Commission in Docket Number 990649-TP as set forth in Exhibit 1 attached hereto and incorporated herein by this reference. Further, both said Interim Agreements are amended such that the term of those agreements coincides with the term of this Agreement.
3. Any rate in the expired Agreement that is not expressly replaced by the rates set forth in Exhibit 1 and as described in paragraphs 1 and 2 above shall remain in full force and effect in accordance with the terms of the Expired Agreement.
4. The Parties agree that all of the other provisions of the Expired Agreement, dated July 1, 1998, shall remain in full force and effect, except as stated in the Interim Agreements dated October 20, 2000, and March 20, 2001.
5. The Parties further agree that either or both of the Parties is authorized to submit this Agreement to the applicable PSC or other regulatory body having jurisdiction over the subject matter of this Agreement, for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.
6. Notwithstanding anything herein to the contrary, the parties do not intend to, and nothing herein shall, alter the terms of that certain Confidential Settlement Agreement dated April 18, 2001.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year written below.

BellSouth Telecommunications, Inc.

Florida Digital Network

By: Signature on file

By: Signature on file

Name: C.W. Boltz

Name: Mike Gallagher

Title: Managing Director

Title: CEO

Date: 9-5-01

Date: 8/22/01

Page 1 of 31

**AMENDMENT
TO THE
AGREEMENT BETWEEN
FLORIDA DIGITAL NETWORK, INC.
AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED SEPTEMBER 5, 2001**

Pursuant to this Amendment, (the "Amendment"), Florida Digital Network, Inc. ("FDN"), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated September 5, 2001 ("Agreement").

WHEREAS, BellSouth and FDN entered into the Agreement on September 5, 2001, and;

WHEREAS, BellSouth and FDN have entered into good faith negotiations pursuant to the Act to renegotiate an interconnection agreement ("New Interconnection Agreement") to replace the existing interconnection agreement between the Parties, which expired on June 2, 2000 ("Expired Interconnection Agreement"); and,

WHEREAS, BellSouth and FDN desire to extend the termination date of this Agreement; and,

WHEREAS, BellSouth and FDN desire to add Expedite charges and Cross Connect rates to this Agreement;

WHEREAS, until such time as the Parties execute the New Interconnection Agreement, BellSouth and FDN shall continue to operate under the rates, terms and conditions of the Expired Interconnection Agreements; and

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. Section 1 Term of Agreement of the General Terms and Conditions of the Interconnection Agreement is deleted in its entirety and replaced with the following Section 1 Term of Agreement below:

1. Term of the Agreement

- 1.1 The term of this Agreement shall be from September 5, 2001 to February 4, 2003 or until the Parties execute the New Interconnection Agreement, whichever is sooner and shall apply to the state of Florida. Notwithstanding any prior agreement of the Parties, the rates, terms and conditions of this Agreement shall not be applied retroactively prior to the Effective Date.
- 1.2 The Parties agree that by no earlier than two hundred seventy (270) days and no later than one hundred and eighty (180) days prior to the expiration of this Agreement, they shall commence negotiations for a new agreement to be effective beginning on the expiration date of this Agreement ("Subsequent Agreement"). If as of the expiration of this Agreement, a Subsequent Agreement has not been executed by the Parties, then except as set forth in Section 1.3.2 below, this Agreement

Exhibit 1

UNBUNDLED NETWORK ELEMENTS - Florida											Attachment: 2																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
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**AMENDMENT
TO THE
AGREEMENT BETWEEN
FLORIDA DIGITAL NETWORK, INC.
AND
BELL SOUTH TELECOMMUNICATIONS, INC.
DATED SEPTEMBER 5, 2001**

Pursuant to this Amendment, (the "Amendment"), Florida Digital Network, Inc. ("FDN"), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated September 5, 2001 ("Agreement").

WHEREAS, BellSouth and FDN entered into the Agreement on September 5, 2001, and;

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. The Interim Agreement entered into between FDN and BellSouth is hereby amended to include a new Section 6 and all its subsections as follows:

6. CLEC to CLEC Conversions for Unbundled Loops

- 6.1.1 CLEC to CLEC Conversion for Unbundled Loops may be used by FDN when converting an existing unbundled loop from another CLEC for the same end-user.
 - 6.1.1.1 The loop type being converted must be included in FDN Interconnection Agreement before requesting a conversion. FDN must have an end-user letter of authorization (LOA) on file (it must be available if requested by BellSouth).
 - 6.1.1.2 The loop being converted must be the same loop type with no requested changes to the loop; must be at the same end-user location and the same serving wire center. The loop conversion must not require an outside dispatch.
 - 6.1.1.3 For the conversion process, Order Coordination comes standard on 2 Wire Unbundled Voice Loop-SL2, 4 Wire Unbundled Voice Loop, 2 Wire ADSL Compatible Loop, 2 and 4 Wire HDSL Compatible Loop, 2 Wire Unbundled ISDN Loop, 2 Wire Unbundled Universal Digital Channel Loop, 4 Wire Unbundled Digital/DSO (19.2/56/64 kbps), and 4 Unbundled DS1/ISDN Loop.
 - 6.1.1.4 Order Coordination is available as a chargeable option on Unbundled Voice Loop-SL1, Unbundled Copper Loop-Non Designed, and Unbundled Copper Loop-Designed.

2. Attachment 1, Exhibit A Rates is hereby modified to include the rates for CLEC to CLEC Conversions for Unbundled Loops as set forth in Exhibit 1 attached hereto and incorporated herein by this reference.

UNBUNDLED NETWORK ELEMENTS - Florida															
CATEGORY	RATE ELEMENTS	Inter m	Zone	BCS	USOC	RATES(\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect			OSS RATES (\$)			
							First	Add'l	First	Add'l	SOMECE	SOMAN	SOMAN	SOMAN	SOMAN
The "Zone" shown in the sections for stand-alone loops or loops as part of a combination refers to Geographically Deaveraged UNE Zones. To view Geographically Deaveraged UNE Zone Designations by Central Office, refer to Internet Website: http://www.interconnection.bellsouth.com/become_a_clec/html/interconnection.htm															
OPERATIONAL SUPPORT SYSTEMS															
NOTE: (1) Electronic Service Order: FDN should contact its contract negotiator if it prefers the state specific electronic service ordering charges as ordered by the State Commissions. The electronic service ordering charge currently contained in this rate exhibit is the BellSouth regional electronic service ordering charge. FDN may elect either the state specific Commission ordered rates for the electronic service ordering charges, or FDN may elect the regional electronic service ordering charge.															
NOTE: (2) Any element that can be ordered electronically will be billed according to the SOMECE rate listed in this category. Please refer to BellSouth's Business Rules for Local Ordering (BBR-LO) to determine if a product can be ordered electronically. For those elements that cannot be ordered electronically at present per the BBR-LO, the listed SOMECE rate in this category reflects the charge that would be billed to a CLEC once electronic ordering capabilities come on-line for that element. Otherwise, the manual ordering charge, SOMAN, will be applied to a CLECs bill when it submits an LSR to BellSouth.															
	Manual Service Order Charge, Disconnect Only (FL)														
	Electronic OSS Charge, per LSR, submitted via BST's OSS Interactive Interfaces (Regional)														
UNBUNDLED EXCHANGE ACCESS LOOP															
2-WIRE ANALOG VOICE GRADE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch (UVL-SL1)			UEANL	UREWO		48.11	22.01							
	CLEC to CLEC Conversion Charge without outside dispatch			UEA	UREWO		131.83	38.27				11.90			
2-WIRE ISDN DIGITAL GRADE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDN	UREWO		121.17	33.09				11.90			
2-WIRE Universal Digital Channel (UDC) COMPATIBLE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDC	UREWO		121.17	33.09				11.90			
2-WIRE ASYMMETRICAL DIGITAL SUBSCRIBER LINE (ADSL) COMPATIBLE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UAL	UREWO		124.83	29.33				11.90			
2-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UHL	UREWO		134.40	29.33				11.90			
4-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UHL	UREWO		134.40	29.33				11.90			
4-WIRE DS1 DIGITAL LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			USL	UREWO		130.25	40.04				11.90			
4-WIRE 19.2, 56 OR 64 KBPS DIGITAL GRADE LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UDL	UREWO		131.67	38.68				11.90			
2-WIRE Unbundled COPPER LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch (UCL -Des)			UCL	UREWO		123.81	31.41				11.90			
	CLEC to CLEC Conversion Charge without outside dispatch (UCL-ND)			UEQ	UREWO		44.69	22.01				11.90			
4-WIRE COPPER LOOP															
	CLEC to CLEC Conversion Charge without outside dispatch			UCL	UREWO		123.81	31.41				11.90			

General Terms and Conditions - Part A
Page 1**AGREEMENT**

THIS AGREEMENT is made by and between BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, and Florida Digital Network, Inc. ("FDN"), a Delaware Corporation, and shall be deemed effective as of the date of the last signature of both Parties ("Effective Date"). This Agreement may refer to either BellSouth or FDN or both as a "Party" or "Parties."

WITNESSETH

WHEREAS, BellSouth is an incumbent local exchange telecommunications company ("ILEC") authorized to provide telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

WHEREAS, FDN is a competitive local exchange telecommunications company ("CLEC") authorized to provide telecommunications services in the state of Florida, and

WHEREAS, the Parties wish to resell BellSouth's telecommunications services and/or interconnect their facilities, for FDN to purchase network elements and other services from BellSouth, and to exchange traffic specifically for the purposes of fulfilling their applicable obligations pursuant to sections 251 and 252 of the Telecommunications Act of 1996 ("the Act").

NOW THEREFORE, in consideration of the mutual agreements contained herein, BellSouth and FDN agree as follows:

1. Purpose

The resale, access and interconnection obligations contained herein are intended to enable FDN to provide competing telephone exchange service to residential and business subscribers within the territory of BellSouth. The Parties agree that FDN will not be considered to have offered telecommunications services to the public in any state within BellSouth's region until such time as it has ordered services for resale or interconnection facilities for the purposes of providing business and/or residential local exchange service to customers. Furthermore, the Parties agree that execution of this agreement will not preclude either party from advocating its position before the Commission or a court of competent jurisdiction.

BST 6/10/2002

General Terms and Conditions - Part A
Page 18

21. Modification of Agreement

- 21.1 If FDN changes its name or makes changes to its identity due to a merger, acquisition, transfer or any other reason, it is the responsibility of FDN to notify BellSouth of said change and request that an amendment to this Agreement, if necessary, be executed to reflect said change.
- 21.2 No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties.
- 21.3 Execution of this Agreement by either Party does not confirm or infer that the executing Party agrees with any decision(s) issued pursuant to the Telecommunications Act of 1996 and the consequences of those decisions on specific language in this Agreement. Neither Party waives its rights to appeal or otherwise challenge any such decision(s) and each Party reserves all of its rights to pursue any and all legal and/or equitable remedies, including appeals of any such decision(s).
- 21.4 In the event that any effective legislative, regulatory, judicial or other legal action materially affects any material rates, terms, or conditions of this Agreement, or the ability of FDN or BellSouth to perform any material terms of this Agreement, FDN or BellSouth may, on fifteen (15) business days' written notice require that such terms be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event that such new terms are not renegotiated within forty-five (45) business days after such notice, the Dispute may be referred to the Dispute Resolution procedure set forth in Section 15.

22. Waivers

A failure or delay of either Party to enforce any of the provisions hereof, to exercise any option which is herein provided, or to require performance of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions or options, and each Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

23. Governing Law

Where applicable, this Agreement shall be governed by and construed in accordance with federal and applicable state substantive telecommunications law, including regulations of the FCC and appropriate Commissions. In all other respects, this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the state of Florida.

BST 6/10/2002

General Terms and Conditions -- Part A
Page 19

24. Arm's Length Negotiations

This Agreement was executed after arm's length negotiations between the undersigned Parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all Parties.

25. Notices

25.1 Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered in person or given by postage prepaid mail, addressed to:

BellSouth Telecommunications, Inc.

BellSouth Local Contract Manager
8th Floor
600 North 19th Street
Birmingham, Alabama 35203

and

ICS Attorney -
Suite 4300
675 W. Peachtree St.
Atlanta, GA 30375

Florida Digital Network, Inc.

Michael P. Gallagher
390 North Orange Ave.
Suite 2000
Orlando, Florida 32801-1640

or at such other address as the intended recipient previously shall have designated by written notice to the other Party.

25.2 Where specifically required, notices shall be by certified or registered mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails.

25.3 BellSouth shall provide PDN notice via Internet posting of price changes and of changes to the terms and conditions of services available for resale.

BST 6/10/2002

Attachment 2

Page 4

service(s) from a tariff, all terms and conditions and rates as set forth in such tariff shall apply.

- 1.7.2 Rates, terms and conditions for order cancellation charges and Service Date Advancement Charges will apply in accordance with Attachment 6 and are incorporated herein by this reference.
- 1.7.3 If FDN modifies an order after being sent a Firm Order Confirmation (FOC) from BellSouth, any costs incurred by BellSouth to accommodate the modification will be paid by FDN in accordance with FCC No. 1 Tariff, Section 5, Order Modification Charge (OMC).
- 1.7.4 A one-month minimum billing period shall apply to all UNI conversions or new installations.
- 1.7.5 Standards for Network Elements
BellSouth shall comply with the requirements set forth in the technical references, as well as any performance or other requirements identified in this Attachment. If one or more of the requirements set forth in this Agreement are in conflict, the parties shall mutually agree on which requirement shall apply. If the parties cannot reach agreement, the dispute resolution process set forth in Section 12 of the General Terms and Conditions of this Agreement, incorporated herein by this reference, shall apply.
- 2 Unbundled Loops
 - 2.1 General
 - 2.1.1 The local loop Network Element ("Loop") is defined as a transmission facility between a distribution frame (or its equivalent) in BellSouth's central office and the loop demarcation point at an end-user customer premises, including inside wire owned by BellSouth. The local loop Network Element includes all features, functions, and capabilities of the transmission facilities, including dark fiber and attached electronics (except those used for the provision of advanced services, such as Digital Subscriber Line Access Multiplexers) and line conditioning. The loop shall include the use of all test access functionality, including, smart jacks, for both voice and data. FDN may access such test access functionality through its collocation space and/or the end users' side of the point of demarcation. FDN shall be entitled to order all loops set forth in Exhibit B of this Attachment. Unless otherwise requested and negotiated, all loops will be provisioned with the appropriate Network Interface Device (NID).
 - 2.1.2 The provisioning of a Loop to FDN's collocation space will require cross-office cabling and cross-connections within the central office to connect the Loop to a local switch or to other transmission equipment. These cross-connections are

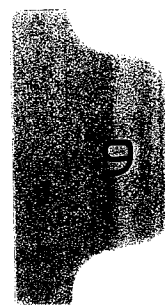
Attachment 2

Page 79

- 14.6 The detailed practices and procedures for 911/E911 services are contained in the E911 Local Exchange Carrier Guide For Facility-Based Providers as amended from time to time during the term of this Agreement.
- 15 **Operational Support Systems (OSS)**
- 15.1 BellSouth has developed and made available the following electronic interfaces by which FDN may submit LSRs electronically.
- | | |
|------|-----------------------------------|
| LENS | Local Exchange Navigation System |
| EDI | Electronic Data Interchange |
| TAG | Telecommunications Access Gateway |
- 15.2 LSRs submitted by means of one of these electronic interfaces will incur an OSS electronic ordering charge. An individual LSR will be identified for billing purposes by its Purchase Order Number (PON). LSRs submitted by means other than one of these interactive interfaces (mail, fax, courier, etc.) will incur a manual order charge. All OSS charges are specified in Rate Exhibit B of this Attachment 2.
- 15.3 Denial/Restoral OSS Charge
- 15.3.1 In the event FDN provides a list of customers to be denied and restored, rather than an LSR, each location on the list will require a separate PON and, therefore will be billed as one LSR per location.
- 15.4 Cancellation OSS Charge
- 15.4.1 FDN will incur an OSS charge for an accepted LSR that is later canceled.
- 15.4.2 Supplements or clarifications to a previously billed LSR will not incur another OSS charge.
- 15.4.3 Network Elements and Other Services Manual Additive
- 15.4.4 The Commissions in some states have ordered per-element manual additive non-recurring charges (NRC) for Network Elements and Other Services ordered by means other than one of the interactive interfaces. These ordered Network Elements and Other Services manual additive NRCs will apply in these states, rather than the charge per LSR. The per-element charges are listed on the Rate Tables in Exhibit B.

UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Inter m	Zone	BCS	USOC	RATES(\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic- 1st	Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l									
													Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(\$)			
														First	Add'l	First	Add'l	SOMECL	SOMAN	SOMAN	SOMAN	SOMAN
The "Zone" shown in the sections for stand-alone loops or loops as part of a combination refers to Geographically Deaveraged UNE Zones. To view Geographically Deaveraged UNE Zone Designations by C O, refer to Internet Website: http://www.interconnection.bellsouth.com/become_a_clec/html/interconnection.htm																					
OPERATIONAL SUPPORT SYSTEMS																					
NOTE: (1) Electronic Service Order: CLEC should contact its contract negotiator if it prefers the state specific electronic service ordering charges as ordered by the State Commissions. The electronic service ordering charge currently contained in this rate exhibit is the BellSouth regional electronic service ordering charge. CLEC may elect either the state specific Commission ordered rates for the electronic service ordering charges, or CLEC may elect the regional electronic service ordering charge.																					
NOTE: (2) Any element that can be ordered electronically will be billed according to the SOMECL rate listed in this category. Please refer to BellSouth's Business Rules for Local Ordering (BBR-LO) to determine if a product can be ordered electronically. For those elements that cannot be ordered electronically at present per the BBR-LO, the listed SOMECL rate in this category reflects the charge that would be billed to a CLEC once electronic ordering capabilities come on-line for that element. Otherwise, the manual ordering charge, SOMAN, will be applied to a CLEC's bill when it submits an LSR to BellSouth.																					
	Manual Service Order Charge, per LSR, Disconnect Only (FL)				SOMAN																
	Electronic OSS Charge, per LSR, submitted via BST's OSS Interactive Interfaces (State Specific OSS Rate)				SOMECL	1.52	.20														
UNE SERVICE DATE ADVANCEMENT CHARGE																					
NOTE: The Expedite charge will be maintained commensurate with BellSouth's FCC No.1 Tariff, Section 5 as applicable.																					
	UNE Expedite Charge per Circuit or Line Assignable USOC, per Day			ALL UNE	SDASP	200.00															
UNBUNDLED EXCHANGE ACCESS LOOP																					
2-WIRE ANALOG VOICE GRADE LOOP																					
	2-Wire Analog Voice Grade Loop - Service Level 1- Zone 1		1	UEANL	UEAL2	10.69	49.57	22.83	25.62	6.57		11.90									
	2-Wire Analog Voice Grade Loop - Service Level 1- Zone 2		2	UEANL	UEAL2	15.20	49.57	22.83	25.62	6.57		11.90									
	2-Wire Analog Voice Grade Loop - Service Level 1- Zone 3		3	UEANL	UEAL2	26.97	49.57	22.83	25.62	6.57		11.90									
	Loop Testing - Basic 1st Half Hour			UEANL	URET1		48.65					11.90									
	Loop Testing - Basic Additional Half Hour			UEANL	URETA		23.95					11.90									
	CLEC to CLEC Conversion Charge Without Outside Dispatch (UCL-SL1)			UEANL	UREWO	15.78	8.94					11.90									
	Unbundled Voice Loop, Unbundled Non-Design Voice Loop, billing for BST providing make-up			UEANL	UEANM	13.49															
	Manual Order Coordination for UCL-SL1s (per loop)			UEANL	UEAMC	9.00															
	Order Coordination for Specified Conversion Time for UCL-SL1 (per LSR)			UEANL	OCOSL	23.02															
2-WIRE UNBUNDLED COPPER LOOP																					
	2-Wire Unbundled Copper Loop - Non-Designed Zone 1		1	UEQ	UEQ2X	7.69	44.98	20.90	19.65	5.09		11.90									
	2 Wire Unbundled Copper Loop - Non-Designed - Zone 2		2	UEQ	UEQ2X	10.92	44.98	20.90	19.65	5.09		11.90									
	2 Wire Unbundled Copper Loop - Non-Designed - Zone 3		3	UEQ	UEQ2X	19.38	44.98	20.90	19.65	5.09		11.90									
	Order Coordination 2 Wire Unbundled Copper Loop - Non-Designed (per loop)			UEQ	USBMC	9.00															
	Unbundled Copper Loop, Non-Designed Billing for BST providing make-up			UEQ	UEQMU	13.49						11.90									
	Loop Testing - Basic 1st Half Hour			UEQ	URET1		48.65					11.90									
	Loop Testing - Basic Additional Half Hour			UEQ	URETA		23.95					11.90									
	CLEC to CLEC Conversion Charge Without Outside Dispatch (UCL-ND)			UEQ	UREWO	14.27	7.43					11.90									
UNBUNDLED EXCHANGE ACCESS LOOP																					
2-WIRE ANALOG VOICE GRADE LOOP																					
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting- Zone 1		1	UEPSR UEPSB	UEALS	10.69	49.57	22.83	25.62	6.57		11.90									
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting- Zone 1		1	UEPSR UEPSB	UEABS	10.69	49.57	22.83	25.62	6.57		11.90									
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting- Zone 2		2	UEPSR UEPSB	UEALS	15.20	49.57	22.83	25.62	6.57		11.90									
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting- Zone 2		2	UEPSR UEPSB	UEABS	15.20	49.57	22.83	25.62	6.57		11.90									
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting- Zone 3		3	UEPSR UEPSB	UEALS	26.97	49.57	22.83	25.62	6.57		11.90									
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting- Zone 3		3	UEPSR UEPSB	UEABS	26.97	49.57	22.83	25.62	6.57		11.90									
UNE Loop Rates for Line Splitting																					
	2-Wire Voice Grade Loop (SL1) for Line Splitting - Zone 1		1	UEPRX	UEPLX	12.94	0.102	0.102													
	2-Wire Voice Grade Loop (SL1) for Line Splitting - Zone 2		2	UEPRX	UEPLX	17.06	0.102	0.102													
	2-Wire Voice Grade Loop (SL1) for Line Splitting - Zone 3		3	UEPRX	UEPLX	31.87	0.102	0.102													



BellSouth Interconnection Services

675 West Peachtree Street
Atlanta, Georgia 30375

**Carrier Notification
SN91083370**

Date: October 10, 2002

To: Competitive Local Exchange Carriers (CLECs)

Subject: CLECs- Geographically Deaveraged Unbundled Network Elements (UNE) Rate Zones

This is to advise that pursuant to Florida Public Service Commission Order dated September 27, 2002, issued in Docket No. 990649A-TP, and Tennessee Regulatory Authority Ruling, issued August 5, 2002, in Docket No. 01-00339, modifications were made to the geographically deaveraged UNE rate zones. BellSouth has reflected these changes in its systems.

The list of wire centers assigned to each UNE rate zone for each state in the BellSouth Region can be found on the BellSouth Interconnection Services' Web site located at:

http://www.interconnection.bellsouth.com/become_a_clec/docs/interconnection/deavuzns.pdf

Please contact your BellSouth Local Contract Manager with any questions.

Sincerely,

ORIGINAL SIGNED BY JERRY HENDRIX

Jerry Hendrix – Assistant Vice President
BellSouth Interconnection Services

10

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of

Complaint of FDN Communications)
for Resolution of Certain Billing Disputes)
and Enforcement of UNE Orders and)
Interconnection Agreements with)
BellSouth Telecommunications, Inc.)

Docket No. 030829-TP

**FDN COMMUNICATIONS' MOTION FOR RECONSIDERATION
AND/OR CLARIFICATION**

Pursuant to Rule 25-22.0376, Florida Administrative Code, Florida Digital Network, Inc., d/b/a FDN Communications ("FDN") respectfully moves the Commission to reconsider the non-final Order on Motion to Compel ("Order") issued in this docket on August 13, 2004. In support of this Motion, FDN states as follows:

SUMMARY

1. The Order must be reconsidered or at least clarified because it over-reaches by making numerous erroneous factual and legal conclusions and borders on pre-judging the outcome in this matter. As identified in the body of this Motion, FDN maintains that (1) Issue No. 1 in this case indeed addresses over-recovery by BellSouth; (2) the Order erroneously presumes the proper interpretation of the parties' interconnection agreement, effectively pre-judging the outcome of this proceeding; and (3) the Order incorrectly uses a more restrictive standard under the Florida Rules of Evidence to evaluate FDN's discovery requests, rather than the correct standard under the Florida Rules of Civil Procedure.

DOCUMENT NUMBER-DATE

09222 AUG 23 2

FPSC-COMMISSIONER'S OFFICE

information that is necessary for FDN to show that BellSouth is likely to over-recover for certain activities, including when it recovers installation costs from its retail winback customer and also charges FDN for the disconnects. FDN further argued that the information sought falls squarely within the scope of Issue No. 1 in the proceeding.

DISCUSSION

A. General Errors

13. As identified herein, the Order contains errors, including that it presumes the proper interpretation of the parties' interconnection agreement; it incorrectly uses a more restrictive evidentiary standard to evaluate FDN's discovery requests; and it effectively pre-judges the outcome of this proceeding. But the most serious implication is that it states time and again that there is no issue of over-recovery in this proceeding and therefore that matter is irrelevant.⁷ As FDN details herein, over-recovery is *directly relevant* to Issue No. 1 in this case. Furthermore, the six issues in this proceeding are *tentative or preliminary* issues. A final, exhaustive list of issues is established only upon the issuance of the Pre-Hearing Order, in accordance with accepted Commission procedures and the testimony pre-filed in this case.

B. Interrogatory No. 4

14. As outlined above, Interrogatory No. 4 asks about the costs and charges associated with BellSouth basic voice-grade service *in the context of a winback*. Rather than address the substance of the interrogatory, however, the Pre-Hearing Officer starts his response by stating that the "Commission has already addressed the circumstances in

⁷ FDN finds it inconceivable that the over-recovery of costs is not a potential issue in a Commission proceeding concerning the application of certain charges.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 030829-TP EXHIBIT NO. 17
COMPANY/ Bell South - UNE
WITNESS. DATE ZONES
DATE 10-06-04

BELLSOUTH
PORTBACK / ZONE ISSUE ANALYSIS

PREPARED: 6/4/2004
PREPARED BY: S. WARREN

PORTBACK ISSUE

BAN#	COMPANY	USOC	ORIGINAL DISPUTE	WINNABLE	EXPENSE	CREDITS RCV'D	OUTSTANDING ¹ DISPUTES	WINNABLE	EXPENSE
305-Q81-3225	MPOWER	UEAL2-P	\$10,590.99	\$9,071.52	\$1,519.47	\$3,764.19	\$6,826.80	\$5,307.33	\$1,519.47
305-Q81-3225	MPOWER	PE1P2 -P	\$42.44	\$26.38	\$16.06	\$11.48	\$30.96	\$14.90	\$16.06
305-Q91-0025	FDN	UEAL2-P	\$18,461.26	\$18,461.26	\$0.00	\$16,857.01	\$1,604.25	\$1,604.25	\$0.00
305-Q91-0025	FDN	PE1P2 -P	\$499.82	\$499.82	\$0.00	\$424.16	\$75.66	\$75.66	\$0.00
561-Q81-3225	MPOWER	UEAL2-P	\$38,092.97	\$26,939.22	\$11,153.75	\$18,454.32	\$19,638.65	\$8,484.90	\$11,153.75
561-Q81-3225	MPOWER	PE1P2 -P	\$593.74	\$385.08	\$208.66	\$224.45	\$369.29	\$160.63	\$208.66
904-Q91-0025	FDN	UEAL2-P	\$48,084.60	\$26,112.28	\$21,972.32	\$24,724.82	\$23,359.78	\$6,769.36	\$16,590.42
904-Q91-0025	FDN	PE1P2 -P	\$803.97	\$187.21	\$616.76	\$285.77	\$518.20	\$33.28	\$484.92
561-Q91-0025 (02)	FDN	UEAL2-P	\$27,668.08	\$0.00	\$27,668.08	\$4,985.44	\$22,682.64	\$0.00	\$22,682.64
561-Q91-0025 (02)	FDN	SOMAN-P	\$21.46				\$21.46		
561-Q91-0025 (03)	FDN	UEAL2-P	\$29,295.94	\$16,750.07	\$12,545.87	\$8,202.36	\$21,093.58	\$8,547.71	\$12,545.87
561-Q91-0025 (03)	FDN	PE1P2 -P	\$1,928.50	\$1,028.52	\$899.98	\$845.02	\$1,083.48	\$183.50	\$899.98
770-Q90-2963	MPOWER	UEAC2-P	\$365.70	\$245.00	\$120.70	\$114.20	\$251.50	\$130.80	\$120.70
770-Q90-2963	MPOWER	PE1P2 -P	\$0.02	\$0.00	\$0.02	\$0.00	\$0.02	\$0.00	\$0.02
770-Q90-2963	MPOWER	PE1PE-P	\$0.72	\$0.00	\$0.72	\$0.00	\$0.72	\$0.00	\$0.72
770-Q90-2963	MPOWER	UEAL2-P	\$85.85	\$0.00	\$85.85	\$0.00	\$85.85	\$0.00	\$85.85
			\$176,536.06			\$78,893.22	\$97,642.84	\$31,312.32	\$66,309.06
305-N16-0032	FDN	UEAL2-P	\$15,570.74	\$182.67	\$15,116.22	\$214.57	\$15,356.17	\$182.67	\$14,915.02
305-N16-0032	FDN	PE1P2-P	\$172.32	\$0.00	\$172.32	\$0.00	\$172.32	\$0.00	\$172.32
305-N16-0032	FDN	SOMAN-P	\$86.01	\$0.00	\$86.01	\$0.00	\$86.01	\$0.00	\$86.01
404-N07-0154	MPOWER	SOMAN-P	\$70.63	\$0.00	\$70.63	\$18.39	\$52.24	\$0.00	\$52.24
404-N22-0307	MPOWER	SOMAN-P	\$66.10	\$0.00	\$66.10	\$0.00	\$66.10	\$0.00	\$66.10
407-N25-0007	FDN	UEAL2-P	\$5,482.63	\$1,091.84	\$4,390.80	\$135.75	\$5,346.88	\$1,091.84	\$4,255.05
407-N25-0007	FDN	SOMAN-P	\$9.15	\$0.00	\$9.15	\$0.00	\$9.15	\$0.00	\$9.15
407-N25-0007	FDN	PE1P2-P	\$11.48	\$0.00	\$11.48	\$0.00	\$11.48	\$0.00	\$11.48
904-N13-0077	FDN	UEAL2-P	\$6,688.07	\$1,350.31	\$5,337.76	\$151.08	\$6,536.99	\$1,350.31	\$5,186.68
904-N13-0077	FDN	SOMAN-P	\$20.13	\$0.00	\$20.13	\$0.00	\$20.13	\$0.00	\$20.13
904-N13-0077	FDN	PE1P2-P	\$55.02	\$0.00	\$55.02	\$0.00	\$55.02	\$0.00	\$55.02
904-N22-0199	FDN	UEAL2-P	\$504.13	\$377.07	\$127.06	\$0.00	\$504.13	\$377.07	\$127.06
954-N10-0018	FDN	UEAL2-P	\$7,352.87	\$258.48	\$7,094.39	\$419.78	\$6,933.09	\$258.48	\$6,674.61
954-N10-0018	FDN	PE1P2-P	\$246.96	\$57.90	\$189.06	\$57.85	\$189.11	\$0.00	\$189.11
954-N10-0018	FDN	SOMAN-P	\$29.28	\$0.00	\$29.28	\$0.00	\$29.28	\$0.00	\$29.28

954-N19-0030	MPOWER	UEAL2-P	\$392.48	\$0.00	\$392.48	\$0.00	\$392.48	\$0.00	\$392.48
954-N19-0030	MPOWER	PE1P2-P	\$11.48	\$0.00	\$11.48	\$0.00	\$11.48	\$0.00	\$11.48
954-N19-0032	MPOWER	UEAL2-P	\$143.58	\$0.00	\$143.58	\$0.00	\$143.58	\$0.00	\$143.58
954-N19-0033	MPOWER	UEAL2-P	\$573.78	\$83.53	\$490.25	\$0.00	\$573.78	\$83.53	\$490.25
			<u>\$37,486.84</u>			<u>\$997.42</u>	<u>\$36,489.42</u>	<u>\$3,343.90</u>	<u>\$32,887.05</u>

TOTAL: \$134,132.26

ZONE CHANGE ISSUE

BAN #	COMPANY	USOC	ORIGINAL DISPUTE	WINNABLE	EXPENSE	CREDITS RCV'D	OUTSTANDING DISPUTES	WINNABLE	EXPENSE
561-Q91-0025 (02)	FDN	UEAL2-Z	\$14,448.77	\$0.00	\$14,448.77	\$0.00	\$14,448.77	\$0.00	\$14,448.77
561-Q91-0025 (03)	FDN	UEAL2-Z	\$4,100.67	\$4,100.67	\$0.00	\$0.00	\$4,100.67	\$4,100.67	\$0.00
706-Q90-2963	MPOWER	UEAL2-Z	\$3,800.41	\$3,800.41	\$0.00	\$0.00	\$3,800.41	\$3,800.41	\$0.00
770-Q90-2963	MPOWER	UEAL2-Z	\$1,470.61	\$1,470.61	\$0.00	\$0.00	\$1,470.61	\$1,470.61	\$0.00
904-Q91-0025	FDN	UEAL2-Z	\$55,487.23	\$12,896.10	\$42,591.13	\$7.55	\$55,479.68	\$12,896.10	\$42,583.58
			<u>\$79,307.69</u>			<u>\$7.55</u>	<u>\$79,300.14</u>	<u>\$22,267.79</u>	<u>\$57,032.35</u>
305-N16-0032	FDN	U1L2X-Z	\$381.79	\$366.05		\$23.61	\$224.39	\$224.39	\$0.00
305-N16-0032	FDN	UDC2X-Z	\$429.26	\$277.76	\$151.50	\$3.57	\$425.69	\$274.19	\$151.50
305-N16-0032	FDN	USLXX-Z	\$864.79	\$672.62	\$192.17	\$98.83	\$765.96	\$573.79	\$192.17
305-N16-0032	FDN	UEAL2-Z	\$1,332.35	\$1,160.60	\$171.75	\$38.70	\$1,293.65	\$1,121.90	\$171.75
305-N16-0032	FDN	1L5XX-Z	\$767.58	\$0.00	\$767.58	\$0.00	\$767.58	\$0.00	\$767.58
407-N25-0007	FDN	U1L2X-Z	\$14.17	\$14.17	\$0.00	\$0.00	\$14.17	\$14.17	\$0.00
407-N25-0007	FDN	UDC2X-Z	\$439.19	\$422.74	\$16.45	\$0.00	\$439.19	\$422.74	\$16.45
407-N25-0007	FDN	UEAL2-Z	\$6,150.23	\$6,150.23	\$0.00	\$0.00	\$6,150.23	\$6,150.23	\$0.00
407-N25-0007	FDN	USLXX-Z	\$256.04	\$245.91	\$10.14	\$0.00	\$256.04	\$245.91	\$10.14
407-N25-0007	FDN	1L5XX-Z	\$6,107.66	\$0.00	\$6,107.66	\$0.00	\$6,107.66	\$0.00	\$6,107.66
904-N13-0077	FDN	U1L2X-Z	\$289.69	\$268.30	\$21.39	\$0.00	\$289.69	\$268.30	\$21.39
904-N13-0077	FDN	UDC2X-Z	\$5,911.40	\$5,461.95	\$449.44	\$0.00	\$5,911.40	\$5,461.95	\$449.44
904-N13-0077	FDN	UEAL2-Z	\$56,065.67	\$51,718.28	\$4,347.39	\$6,115.08	\$49,950.59	\$46,170.93	\$3,779.66
904-N13-0077	FDN	USLXX-Z	\$2,115.50	\$1,952.03	\$163.47	\$0.00	\$2,115.50	\$1,952.03	\$163.47
954-N10-0018	FDN	UDC2X-Z	\$1,897.20	\$1,832.24	\$64.96	\$267.96	\$1,629.24	\$1,621.12	\$8.12
			<u>\$83,022.52</u>			<u>\$6,547.75</u>	<u>\$76,340.98</u>	<u>\$64,501.65</u>	<u>\$11,839.33</u>

TOTAL: \$155,641.12

\$289,773.38

RATE ZONE ISSUE

May 2001 Order

Zone 1

Cocoa Beach - \$11.74/month

All SL1 loops in zone 1 - \$11.74/month

Zone 2

Miami West Hollywood -- \$16.26/month

All SL1 loops in zone 2 - \$16.26/month

120 Day Order

Zone 1

Miami West Hollywood - \$10.69/month

All SL1 loops in zone 1 - \$10.69/month

Zone 2

Cocoa Beach -- \$15.20/month

All SL2 loops in zone 2 - \$15.20/month

What happened?

120 Day Order:

BellSouth bills and charges FDN as follows until ICA amended

SL1 loop out of Cocoa Beach CO is now in Zone 2 -- BellSouth bills

\$16.26/month

SL1 loop out of Miami West Hollywood is now in Zone 1 -- BellSouth bills

\$11.74/month

BellSouth's systems don't have the capability to bill Cocoa Beach CO as though it is in Zone 1 and Zone 2 *at the same time*

Ex 17

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET

NO. _____

EXHIBIT NO. _____

COMPANY/

WITNESS. _____

DATE _____