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September 29, 1995

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

RE: Docket No. 950985-TP

Dear Mrs. Bayo:

Enclosed please find an original and fifteen copies of BellSouth Telecommunications, Inc.'s Prehearing Statement. Please file these documents in the captioned docket.

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

Sincerely,

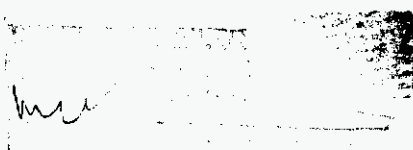
Nancy B. White
Nancy B. White (02)

Enclosures

cc: All Parties of Record
A. M. Lombardo
R. G. Beatty
R. D. Lackey

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Resolution of petition(s))
to establish nondiscriminatory)
rates, terms, and conditions for)
interconnection involving local)
exchange companies and alternative)
local exchange companies pursuant)
to Section 364.162, Florida)
Statutes)
_____)

Docket No. 950985-TP
Filed: September 29, 1995

PREHEARING STATEMENT OF
BELLSOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc. ("BellSouth" or "Company") in compliance with the Order Establishing Procedure (Order No. PSC-95-1084-PCO-TP) issued August 30, 1995, submits its Prehearing Statement.

A. WITNESSES

BellSouth proposes to call the following witnesses to offer direct testimony on the issues indicated below:

<u>Witnesses</u>	<u>Issues</u>
Alphonso J. Varner	1-10
Robert Scheye	1-10
Dr. Andy Banerjee	1

In addition, BellSouth proposes to call the following witnesses to offer rebuttal testimony on the issues identified below:

<u>Witnesses</u>	<u>Issues</u>
Robert Scheye	All issues.
Dr. Andy Banerjee	1

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

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09692 SEP 29 1995
FPSC-RECORDS/REPORTING

the Prehearing Officer at the prehearing conference to be held on October 9, 1995.

B. EXHIBITS

<u>Witness</u>	<u>Document Indicator</u>	<u>Title of Exhibit</u>
Alphonso J. Varner	AJV-1	Proposed Issues
	AJV-2	Negotiation Items
Robert Scheye	RCS-1	Existing Interconnection Arrangements
	RCS-2	Description of Existing Interconnection Arrangements
	RCS-3	Issues Agreed Upon on September 22, 1995
Dr. Andy Banerjee	None	

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

C. STATEMENT OF BASIC POSITION

Local interconnection arrangements will be significantly affected by the universal service issues being addressed in Florida Docket No. 950696-TP. Specifically, the manner in which the universal support mechanism is modified to include the required ALEC support, will affect the rate structure and level for local interconnection arrangements. BellSouth's local interconnection arrangements must also accommodate the unbundled

network components and capabilities required under revised Chapter 364.

The appropriate interconnection arrangement for the exchange of local and toll traffic between ALECs and BellSouth is an arrangement which is based on the switched access rate structure and rate levels. The existing switched access interconnection arrangement incorporates all of the components necessary to accommodate local interconnection arrangements between ALECs and BellSouth. Because the toll access model can support local traffic, there is no need to develop new rate structures for local traffic only. Adoption of the switched access rate structure and rates will result in minimizing the arbitrage potential since the identical capabilities could be used for both local and toll traffic (which is likely to become indistinguishable shortly). The switched access model will also provide all the functionality required with any given technical interconnection arrangement (i.e., end office, tandem, etc.)

With regard to unbundling, it is BellSouth's position that the existing ONA model and criteria should be used to the extent possible to determine the feasibility of unbundling network elements, components, or capabilities. BellSouth already offers many features on an unbundled basis, such as loops, interoffice transport and various forms of exchange access. BellSouth also plans to offer, on an unbundled basis, additional features, functions, and capabilities.

D. BELLSOUTH'S POSITION ON THE ISSUES

Issue No. 1: What is (are) the appropriate interconnection rate structure, rates or other arrangements for the exchange of local and toll traffic between ALECs and BellSouth?

Position: BellSouth supports a local interconnection plan that includes the following components:

- * Compensation arrangements for terminating traffic on BellSouth and ALEC networks;
- * A default to the toll access model if local calls cannot be distinguished from toll;
- * Charges for local interconnection should be based on the switched access rate structure and rate levels (the level and components may vary based on universal service mechanism adopted); and
- * A transitional structure that will eventually merge all interconnection plans (local, toll, independent, cellular/wireless) into one common structure.

Issue No. 2: Should BellSouth be required to tariff the interconnection rates or other interconnection arrangements?

Position: Yes.

Issue No. 3: What are the appropriate technical and financial arrangements which should govern interconnection between ALECs and BellSouth for the delivery of calls originated

and/or terminated from carriers not directly connected to an ALECs network?

Position: BellSouth has been analyzing the possibility of providing an intermediary function that would allow calls to transit from one carrier's network through BellSouth's network to another carrier's network. These situations may require certain "meet point billing" arrangements where each carrier would bill its portion of the interconnection arrangement to the other carrier. There can be many permutations involving both local and toll traffic, but these should be manageable. It should be emphasized, however, that all parties to such an arrangement must agree on both the technical and financial arrangements to assure a seamless configuration in which all parties are properly compensated.

Issue No. 4: What are the appropriate technical and financial requirements for the exchange of intraLATA 800 traffic which originates from an ALEC customer and terminates to an 800 number served by BellSouth?

Position: It is BellSouth's position that, during at least the initial phase of local exchange competition, the traffic at issue in this question will be minimal. While BellSouth provides minimal intraLATA 800 services, ALECs may opt not to provide a comparable service, further reducing the potential volume of traffic. There will also be a need for procedures to be established for the exchange of data in both directions for

billing purposes between the two parties involved. Given the minimal amount of traffic involved, it is BellSouth's opinion that the parties can resolve this issue.

Issue No. 5: What are the appropriate technical arrangements for the interconnection of an ALEC's network to BellSouth's 911 provisioning network such that ALEC's customers are ensured the same level of 911 service as they would receive as a customer of BellSouth? What procedures should be in place for the timely exchange and updating of ALEC customer information for inclusion in appropriate E911 databases?

Position: The ALECs must provide their own facilities or lease facilities from BellSouth that will connect the trunk side of the ALEC's end office to the BellSouth 911 tandem serving the calling customer's Public Safety Answering Point (PSAP). The trunks must be capable of carrying Automatic Number Identification (ANI) to the 911 tandem. The trunk facility must conform with ANSI T1.405-1989 (Interface Between Carriers and Customer Installations - Analog voice Grade Switched Access). The trunk interface between the ALEC end office and the BellSouth tandem may be either a 2-wire analog interface or a digital DS1 interface. A minimum of two trunks are required, additional trunks may be required depending on the volume of traffic.

Procedures must be in place to handle transmission, receipt and daily updates of the customer telephone number and the name and address associated with that number. At least three data

files or databases are generally required to provide data for display at the Public Service Answering Position (PSAP).

Issue No. 6: What are the appropriate technical requirements for operator traffic flowing between an ALEC's operator services provider and BellSouth's operator services provider including busy line verification and emergency interrupt services?

Position: A dedicated trunk group, either one way or two way, is required from the ALEC's end office to the BellSouth Operator Service System. The trunk group can be the same as that used for Inward Operator Services (busy line verification and emergency interrupt services) and Operator Transfer Service.

Busy line verification and emergency interrupt services are currently tariffed in the Access Service Tariff. BellSouth would expect ALECs to tariff a similar service for BellSouth.

Issue No. 7: Under what terms and conditions should BellSouth be required to list ALEC customers in its directory assistance database?

Position: If an ALEC desires to list its customers in BellSouth's directory assistance database, BellSouth will provide this service as long as the ALEC provides BellSouth with necessary information in the format specified by BellSouth to populate the database. To the extent that additional costs are

incurred to store ALEC directory assistance information, ALECs should be required to absorb them.

Issue No. 8: Under what terms and conditions should BellSouth be required to list ALEC customer in its universal white and yellow pages directories and to publish and distribute these directories to ALEC customers?

Position: As a general matter, it should be noted that yellow page directories are not "universal" because there are several competitive "yellow pages" in existence. BellSouth, however, does intend to list ALEC business customers in BellSouth's yellow and white page directories, as well as ALEC residence customers in BellSouth's white page directories. It is also BellSouth's intention to distribute yellow and white page directories to ALEC customers. White page listings for individual customers will be offered at no charge. Additional listing options (e.g., design listings) and the provision of directories outside a customer's service area will be provided to ALEC customers under the same terms, conditions and rates offered to BellSouth customers.

Issue No. 9: What arrangements are necessary to ensure that ALECs can bill and clear credit card, collect, third party calls and audiotext calls?

Position: All ALECs entering the market in the BellSouth region have two options for handling their non-sent paid traffic.

First, they may elect to have another Regional Bell Company (RBOC) to serve as their Centralized Message Distribution System (CMDS) host. CMDS will provide ALECs with the ability to bill for their services when the messages are recorded by a local exchange company. This would include credit card, collect and third-party calls.

The second possible scenario is that the ALEC may elect to have BellSouth serve as their CMDS host. The only requirement for this option is that the ALEC have Regional Accounting Office status (RAO-status), which means that it has been assigned its own RAO code from Bellcore. When BellSouth provides the CMDS host function, BellSouth will send CMDS all messages that are originated by an ALEC customer that are billable outside the BellSouth region. BellSouth will also forward all messages that originate outside the BellSouth region from CMDS to the ALEC for billing where applicable. This service will be provided via contract between the two companies.

As for audiotext calls, N11 service is the only service currently offered by BellSouth in its General Subscriber Service Tariff specifically tailored for audiotext customers. It should be noted that BellSouth does not jointly provide N11 service with any other carrier anywhere in its service region.

Issue No. 10: What arrangements are necessary to ensure the provision of CLASS/LASS services between BellSouth and an ALEC's interconnected networks?

Position: Full Signaling System 7 (SS7) connectivity is required between end offices to ensure the provision of CLASS/LASS services between BellSouth and an ALEC. BellSouth plans to unbundle SS7 signaling in its Switched Access Service tariff and ALECs will be able to purchase this connectivity as an unbundled service.

E. STIPULATIONS

There have been no stipulations entered into by the parties at this time.

F. PENDING MOTIONS

There are no pending motions filed by BellSouth at this time.

G. OTHER REQUIREMENTS

BellSouth knows of no requirements set forth in any prehearing order with which it cannot comply.

Respectfully submitted this 29th day of September, 1995.

BELLSOUTH TELECOMMUNICATIONS, INC.

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CERTIFICATE OF SERVICE
Docket No. 950985-TP

I HEREBY CERTIFY that a copy of the foregoing has been
furnished by Federal Express this 29th day of September, 1995 to:

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