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September 20, 1996

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

Docket No. ~~960816-TP~~, 960816-TP and 960916-TP

Dear Mrs. Bayo:

Enclosed for filing in the above referenced dockets are an original and fifteen (15) copies of AT&T's Prehearing Statement.

Copies of the foregoing are being served on all parties of record in accordance with the attached Certificate of Service.

Yours truly,

Tracy Hatch

- ACK
- AFA _____
- APP _____
- CAF _____
- CMU Reith
- CTR _____
- EAG _____
- LEG 1
- LIN 5
- OPC _____
- RCH _____
- SEC 1
- WAS _____
- OTH _____

Attachments

cc: Parties of Record

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

10088 SEP 20 96

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petitions by AT&T) Docket No. 960833-TP
Communications of the Southern) Docket No. 960846-TP
States, Inc.; MCI) Docket No. 960916-TP
Telecommunications Corporation;)
MCI Metro Access Transmission) Filed: September 20, 1996
Services, Inc.; American)
Communications Services, Inc.)
and American Communications)
Services of Jacksonville, 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.)
_____)

AT&T'S PREHEARING STATEMENT

AT&T Communications of the Southern States, Inc. (hereinafter "AT&T"), pursuant to Rule 25-22.038, Florida Administrative Code, and order of the Florida Public Service Commission (hereinafter the "Commission") hereby submits its Prehearing Statement in the above-referenced docket.

DOCUMENT NUMBER-DATE

10088 SEP 20 579

.FPSC-RECORDS/REPORTING

A. and B. Witnesses and Exhibits

AT&T intends to sponsor the testimony of the following witnesses,
together with the listed exhibits:

1. William J. Carroll (Direct, Supplemental Direct, and Rebuttal)

JC-1: AT&T's seventeen volumes of documents filed on July 17,
1996, with AT&T's Petition for Arbitration

JC-2: Interconnection Agreement Between BellSouth and AT&T

JCS-1: Florida Matrix Summarizing FCC Rules by Issue

JCR-1: Comparison Chart of BellSouth Interconnection Prices and
FCC Proxy Prices

2. Joseph P. Cresse (Direct)

JPC-1: Cresse background and qualifications.

3. Wayne Ellison (Direct, Supplemental Direct, and Rebuttal)

WE-1: Florida - Unbundled Elements

WE-2: Items Requiring Cost Information

WE-3: Capital Costs - Bell versus AT&T Assumptions

WE-4: Adjusting BellSouth Initial Loop Study and Revised Loop
Study

WE-5: Local Switching Usage Costs

4. Joseph Gillan (Direct, Supplemental Direct, and Rebuttal)

JPG-1: Qualifications, Publications and Testimony

JPG-2: Relation Between Expenses and Revenues

5. David L. Kaserman (Direct, Supplemental Direct, and Rebuttal)

DLK-1: Vitae

6. **Art Lerma** (Direct, Supplemental Direct, and Rebuttal)

- AL-1: Information Flow Chart
- AL-2: Armis Data Treatment
- AL-3: Identification and Assignment Factors
- AL-4: Avoided Cost Study
- AL-5: BellSouth Chart, "1995 Regulated BellSouth Telecommunications - Florida Financials"
- AL-6: Florida Comparison Chart
- AL-7: Avoided Cost Analysis
- ALS-1: Worksheet, "State of Florida, The AT&T Simplified Cost Study"
- ALS-2: Workpapers, Calculation of Return on Avoided General Support and Operator System Investment

7. **L. G. Sather** (Direct and Supplemental Direct)

8. **Ronald H. Shurter** (Direct, Supplemental Direct, and Rebuttal)

9. **James L. Tamplin, Jr.** (Direct, Supplemental Direct, and Rebuttal)

- JAT-1: Network Schematic
- JAT-2: Unbundled Network Elements
- JATR-1

AT&T further reserves the right to present any exhibits that may be necessary to cross-examine opposing witnesses or to respond to matters which are raised for the first time at the hearings in this proceeding.

C. Basic Position

The Telecommunications Act of 1996 has created an historic opportunity for this Commission to provide consumers in the state of Florida with real choices in obtaining local exchanges services through the introduction of competition in the local exchange market place. The Act, far from simply permitting local exchange competition, is designed to inject competition in the local exchange market on a broad scope to allow customers the widest array of

choices to meet their needs. To accomplish its goal, the Act creates the foundation for effective competition by mandating the availability from incumbent LECs of the tools needed by competitors that are essential to an effectively competitive marketplace. The Act, together with the FCC's Order and Rules implementing the Act, requires that LECs: resell each of their services at wholesale rates calculated on the basis of avoidable cost; provide facilities, equipment and services for interconnection at any technically feasible point and in a manner that is qualitatively equal to that which the LEC provides itself; unbundle network elements; and price interconnection and unbundled network elements at TSLRIC or TELRIC. It is essential to the development of effective competition in the local market that the Commission make available the tools set forth in the Act to the furthest extent possible. Whether service is provided to customers through resale or on a facilities basis or a combination of both, it is critical that BellSouth be required to provide the items required by the Act to local exchange competitors in a manner that allows competitors to serve their customers in a fashion equal to that in which BellSouth provides service to its customers. To do less will be to relegate the availability of quality competitive telecommunications service to consumers to those instances where facilities based competition is available; such a result is clearly contrary to the goals of the Act to bring about widespread competition to as many as possible as soon as possible.

D - F. Issues of Law, Fact and Policy

See Attachment 1 (AT&T's Positions on Issues).

G. Stipulated Issues

No issues have yet been stipulated in this proceeding.

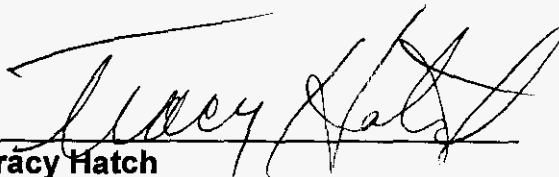
H. Pending Motions

On September 9, 1996, AT&T filed its Response To BellSouth's Motion to Compel Answers to Interrogatories and Motion for Protective Order.

I. Other Requirements

AT&T is not aware of any requirements set forth in the Order on Prehearing Procedure with which it is unable to comply.

Respectfully submitted this 20th day of September, 1996.



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**Attorney for AT&T Communications
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AT&T'S POSITION ON ISSUES

**ISSUE 1: WHAT SERVICES PROVIDED BY BELLSOUTH, IF ANY,
SHOULD BE EXCLUDED FROM RESALE?**

AT&T'S POSITION: The Act and the FCC Order requires BellSouth to offer for resale at wholesale rates any telecommunications service that BellSouth provides at retail to non-telecommunications carriers. The Act and the FCC Order do not provide for any exceptions to BellSouth's obligation.

**ISSUE 2: WHAT TERMS AND CONDITIONS, INCLUDING USE AND
USER RESTRICTIONS, IF ANY, SHOULD BE APPLIED TO
RESALE OF BELLSOUTH SERVICES?**

AT&T'S POSITION: The Act and the FCC order also requires BellSouth not to impose unreasonable or discriminatory conditions or limitations on the resale of telecommunications services. The FCC Order provides that resale restrictions are presumptively unreasonable except as specified in the Order. Those specific restrictions relate to: (i) short-term promotions, which BellSouth must offer for resale but which a commission may allow BellSouth to offer at the non-promotional price less avoided costs; (ii) cross-class reselling of residential services purchased at wholesale to non-eligible subscribers (specifically residential service to business customers and means-tested services to non-eligible subscribers), which a commission may allow BellSouth to restrict reselling to eligible subscribers; and (iii) withdrawn (grandfathered) services, which BellSouth must offer for resale but a commission may allow BellSouth to restrict AT&T from reselling such services to customers that do not already subscribe to the withdrawn service. Resale restrictions are presumptively unreasonable and prohibited by the Act.

ISSUE 3a: WHEN AT&T OR MCI RESELLS BELLSOUTH'S SERVICES, IS IT TECHNICALLY FEASIBLE OR OTHERWISE APPROPRIATE, FOR BELLSOUTH TO BRAND OPERATOR SERVICES AND DIRECTORY SERVICES CALLS THAT ARE INITIATED FROM THOSE RESOLD SERVICES?

AT&T'S POSITION: Yes. BellSouth must brand Operator Services and *Directory Assistance* as requested by AT&T unless BellSouth can demonstrate to the Commission that it lacks the capability to comply with AT&T's rebranding request. AT&T believes it is technically feasible to brand operator services and directory assistance calls. In the alternative, AT&T requests that BellSouth unbrand its services.

ISSUE 3b: WHEN BELLSOUTH'S EMPLOYEES OR AGENTS INTERACT WITH AT&T'S OR MCI'S CUSTOMERS WITH RESPECT TO A SERVICE PROVIDED BY BELLSOUTH ON BEHALF OF AT&T OR MCI, WHAT TYPE OF BRANDING REQUIREMENTS ARE TECHNICALLY FEASIBLE OR OTHERWISE APPROPRIATE?

AT&T'S POSITION: AT&T requires that services made available to AT&T be branded as AT&T to ensure AT&T customers who come into contact with BellSouth personnel and agents are not confused by BellSouth branding, and also in order to permit AT&T to provide its customers with services at parity with BellSouth. Failure to brand provides BellSouth with an unfair competitive advantage. Moreover, BellSouth has the capability to comply with AT&T's branding request.

BellSouth shall provide training for all BellSouth employees and agents who may communicate with AT&T customers and utilize AT&T branded materials (AT&T provided) where appropriate.

ISSUE 4: **WHEN AT&T OR MCI RESELLS BELLSOUTH'S LOCAL EXCHANGE SERVICE OR PURCHASES UNBUNDLED LOCAL SWITCHING, IS IT TECHNICALLY FEASIBLE OR OTHERWISE APPROPRIATE TO ROUTE 0+ AND 0- CALLS TO AN OPERATOR OTHER THAN BELLSOUTH'S, TO ROUTE 411 AND 555-1212 DIRECTORY ASSISTANCE CALLS TO AN OPERATOR OTHER THAN BELLSOUTH'S, OR TO ROUTE 611 REPAIR CALLS TO A REPAIR CENTER OTHER THAN BELLSOUTH'S?**

AT&T'S POSITION: Yes. BellSouth should be required to route Operator Services, Directory Assistance and Repair calls from AT&T local customers to AT&T's platforms. Such customized routing is technically feasible. PacTel, SNET and GTE have agreed that it is technically feasible to provide such routing.

ISSUE 5: **SHOULD BELLSOUTH BE REQUIRED TO PROVIDE NOTICE TO ITS WHOLESALE CUSTOMERS OF CHANGES TO BELLSOUTH'S SERVICES? IF SO, IN WHAT MANNER AND IN WHAT TIME FRAME?**

AT&T'S POSITION: Yes. The Act requires BellSouth not to impose unreasonable or discriminatory conditions or limitations on the resale of Telecommunications Services. One of the purposes of that statutory requirement is to remove operational barriers to fair competition. The lack of advance notice of changes to the rates, terms and conditions of services offered for resale is an operational barrier to fair competition because new entrants need time to implement any administrative system changes so that the new entrant can initially offer the changed service concurrently with BellSouth. Without advance notice that would allow a new entrant to implement the necessary administrative changes, BellSouth ensures that it will be the first local exchange carrier in the market to offer the changed service.

AT&T recognizes that the possibility exists for the tariff or service or provisioning to change between the time of notification and tariff filing. AT&T accepts the consequences of such "mid-stream" changes as an uncertainty of doing business and, therefore, in way would hold BellSouth responsible for any inconvenience or cost incurred. AT&T will not use the

information obtained from advance notice to preempt BellSouth's marketing efforts or entry into the market.

ISSUE 6: HOW SHOULD BELLSOUTH TREAT A PIC CHANGE REQUEST RECEIVED FROM AN IXC OTHER THAN AT&T OR MCI FOR AN AT&T OR MCI LOCAL CUSTOMER?

AT&T'S POSITION: AT&T requires that BellSouth reject an IXC initiated "01" PIC order and create the appropriate Industry Standard "3148" code, with the Local Service Provider ID of the Reseller (AT&T's Local Service Provider ID is 7421) and send the reject to the originating IXC within one business day. If these PIC Change Orders are not rejected as outlined above, numerous problems could occur including billing inaccuracies and negative customer experiences for AT&T customers.

The Act's concept of parity requires BellSouth, as the incumbent local exchange carrier, to contact AT&T to effectuate a PIC request. AT&T therefore is entitled to be the contact point for PIC change requests by AT&T local customers. AT&T also has requested that BellSouth reject any PIC change request from another carrier and notify the carrier to submit the request to AT&T. This practice complies with the standards adopted by the National Order and Billing Forum Committee, which has developed industry standards on billing and ordering. AT&T requires BellSouth to adopt a simplified ordering process for PIC changes, which would meet the increased volume demands generated by competition under the Act. Separate identification of PIC changes by BellSouth is necessary to allow AT&T to rebill the appropriate party accurately and efficiently.

ISSUE 7: WHAT ARE THE APPROPRIATE WHOLESALE RATES FOR BELLSOUTH TO CHARGE WHEN AT&T OR MCI PURCHASES BELLSOUTH'S RETAIL SERVICES FOR RESALE?

AT&T'S POSITION: The appropriate wholesale rate for services available for resell is the retail rates of BellSouth offered by BellSouth less 39.99%. This reduction in retail rates shall apply to all services, including both recurring and nonrecurring service charges.

**ISSUE 8: WHAT ARE THE APPROPRIATE TRUNKING
ARRANGEMENTS BETWEEN AT&T OR MCI AND
BELLSOUTH FOR LOCAL INTERCONNECTION?**

AT&T'S POSITION: Two way trunking is necessary for efficient
interconnection and reflects the interconnection
capability available to BellSouth.

**ISSUE 9: WHAT SHOULD BE THE COMPENSATION MECHANISM FOR
THE EXCHANGE OF LOCAL TRAFFIC BETWEEN AT&T OR
MCI AND BELLSOUTH?**

AT&T'S POSITION: The Commission should order that interconnection be
priced at TELRIC and that BellSouth be ordered to
develop TELRIC studies as promptly as possible.
Until such studies are completed, this Commission
should require a bill and keep arrangement for
interconnection.

**ISSUE 10a: ARE THE FOLLOWING ITEMS CONSIDERED TO BE
NETWORK ELEMENTS, CAPABILITIES, OR FUNCTIONS? IF
SO, IS IT TECHNICALLY FEASIBLE FOR BELLSOUTH TO
PROVIDE AT&T, MCI, OR ACSI WITH THESE ELEMENTS?**

**NETWORK INTERFACE DEVICE
UNBUNDLED LOOP
LOOP DISTRIBUTION
LOOP CONCENTRATION/MULTIPLEXER
LOOP FEEDER
LOCAL SWITCHING
OPERATOR SYSTEMS (DA SERVICE/911 SERVICE)
MULTIPLEXING/DIGITAL CROSS-
CONNECT/CHANNELIZATION
DEDICATED TRANSPORT
COMMON TRANSPORT
TANDEM SWITCHING
AIN CAPABILITIES
SIGNALING LINK TRANSPORT
SIGNAL TRANSFER POINTS
SERVICE CONTROL POINTS/DATABASES**

AT&T'S POSITION: All twelve (12) items requested by AT&T are network
elements, capabilities and functions. All twelve
network elements are technically feasible to provide.

ISSUE 10b: WHAT SHOULD BE THE PRICE OF EACH OF THE ITEMS CONSIDERED TO BE NETWORK ELEMENTS, CAPABILITIES, OR FUNCTIONS?

AT&T'S POSITION: Given that the cost studies filed by BellSouth are not compliant with the requirements of FCC Order 98-96, AT&T recommends that the Commission set proxy rates for all unbundled network elements requested by AT&T. The proxy prices for each element are as follows:

Network Interface Device		\$ 0.55
Combined Loop	1- 200 lines psm	\$27.91
	201- 650	\$14.98
	651- 850	\$12.24
	851-2550	\$11.23
	2550-up	\$ 9.61
Loop Distribution		\$
Loop Concentration/Multiplexer		\$
Loop Feeder		
Multiplexing/Digital Cross- Connect/Channelization		
Local Switching		
Operator Systems		
Dedicated Transport		
Common Transport		
Tandem Switching		
AIN Capabilities		
Signaling Link Transport		
Signal Transfer Points		
Service Control Points		

ISSUE 11: DO THE PROVISIONS OF SECTIONS 251 AND 252 APPLY TO ACCESS TO UNUSED TRANSMISSION MEDIA (E.G., DARK FIBER, COPPER COAXIAL, TWISTED PAIR)? IF SO, WHAT ARE THE APPROPRIATE RATES, TERMS AND CONDITIONS?

AT&T'S POSITION: Yes. AT&T believes that unused transmission media is a network element per the FCC definition of network elements. It is technically feasible to unbundle and it should be unbundled as it is not proprietary and its unavailability would introduce unnecessary additional costs to new entrants. The provision of unused transmission media will allow AT&T to add efficiently to its own transmission capabilities.

ISSUE 12: SHOULD AT&T AND MCI BE ALLOWED TO COMBINE BELLSOUTH'S UNBUNDLED NETWORK ELEMENTS IN ANY MANNER IT CHOOSES INCLUDING RECREATING BELLSOUTH SERVICES?

AT&T'S POSITION: Yes. Pursuant to the Act, AT&T may order unbundled network elements individually or in any combination it chooses. Any combinations will be pre-determined and identified to BellSouth by AT&T so that they can be ordered and provisioned together and shall not require the enumeration of each network element with that combination on each provisioning order.

ISSUE 13: IS IT APPROPRIATE FOR BELLSOUTH TO PROVIDE COPIES OF ENGINEERING RECORDS THAT INCLUDE CUSTOMER SPECIFIC INFORMATION WITH REGARD TO BELLSOUTH POLES, DUCTS, AND CONDUITS? HOW MUCH CAPACITY IS APPROPRIATE, IF ANY, FOR BELLSOUTH TO RESERVE WITH REGARD TO ITS POLES, DUCTS AND CONDUITS?

AT&T'S POSITION: Yes. AT&T requires that BellSouth provide access to appropriate engineering documents upon request for access to right-of-way, while respecting BellSouth's need to redact or protect any proprietary information. Additionally, AT&T requires access to third party rights-of-way owned or controlled by BellSouth.

ISSUE 14: WHAT ARE THE APPROPRIATE STANDARDS, IF ANY, FOR PERFORMANCE METRICS, SERVICE RESTORATION, AND QUALITY ASSURANCE RELATED TO SERVICES PROVIDED BY BELLSOUTH FOR RESALE AND FOR NETWORK ELEMENTS PROVIDED TO AT&T OF MCI BY BELLSOUTH?

AT&T'S POSITION: The Act requires nondiscriminatory provision of service to new entrants. Absent such parity between the new entrant and BellSouth, the new entrant cannot compete effectively with BellSouth. AT&T requests the establishment of processes and standards, including Direct Measures of Quality ("DMOQs"), and Service Assurance Warranties, to ensure that BellSouth provides services for resale, interconnection, and unbundled network elements which meet their obligations to provide nondiscriminatory levels of service.

ISSUE 15: DO THE PROVISIONS OF SECTION 251 AND 252 APPLY TO THE PRICE OF EXCHANGE ACCESS? IF SO, WHAT IS THE APPROPRIATE PRICE FOR EXCHANGE ACCESS?

AT&T'S POSITION: Yes. Section 251(c)(2)(A) requires incumbent LECs to provide interconnection with facilities and equipment to requesting carriers for transmission and routing for telephone exchange service and exchange access. Exchange access is defined as access to telephone exchange services or facilities for the purpose of the origination or termination of telephone toll services. The pricing standards set forth in Section 252(d)(1) expressly apply to interconnection with facilities and equipment described in Section 251(c)(2)(A). Therefore exchange access and the concomitant switched access charges must be priced according to Section 251(d)(1).

The appropriate price for exchange access is the same as the price for the unbundled elements that are used to transport and terminate a long distance call. The price will vary depending on the interconnection arrangements used to terminate the call.

ISSUE 16: SHOULD BELLSOUTH BE REQUIRED TO PROVIDE REAL-TIME AND INTERACTIVE ACCESS VIA ELECTRONIC INTERFACES, AS REQUESTED, TO PERFORM THE FOLLOWING:

**PRE-SERVICE ORDERING
SERVICE TROUBLE REPORTING
SERVICE ORDER PROCESSING AND PROVISIONING
CUSTOMER USAGE DATA TRANSFER
LOCAL ACCOUNT MAINTENANCE**

IF THIS PROCESS REQUIRES THE DEVELOPMENT OF ADDITIONAL CAPABILITIES, IN WHAT TIME FRAME SHOULD THEY BE DEPLOYED? WHAT ARE THE COSTS INVOLVED AND HOW SHOULD THESE COSTS BE RECOVERED?

AT&T'S POSITION: Yes. The Act requires BellSouth to provide AT&T with nondiscriminatory access to systems and functions that AT&T has requested by January 1, 1997. With pre-ordering, ordering, provisioning, and billing, or to otherwise maintaining service with a customer, AT&T must have real-time and interactive access to BellSouth's systems in order to provide at least the same level of service BellSouth provides to its customers.

ISSUE 17a: SHOULD BELLSOUTH BE REQUIRED TO UTILIZE CMDS PROCESS FOR LOCAL AND INTRALATA CALLS IN THE SAME MANNER AS IS USED TODAY FOR INTERLATA CALLS?

AT&T'S POSITION: Yes. The use of the Centralized Message Distribution System ("CMDS") for intraLATA collect, third party and calling card calls would provide a uniform system that simplifies the billing process. The telecommunications industry currently uses the CMDS process to determine applicable rates and appropriate compensation for collect, third party and calling card interLATA calls. The originating and terminating carriers for the three types of calls may disagree over rates and compensation in the absence of a uniform system. AT&T's request that BellSouth use CMDS for intraLATA calls provides a uniform system that would prevent such potential disputes.

ISSUE 17b: WHAT ARE THE APPROPRIATE RATES, TERMS AND CONDITIONS, IF ANY, FOR RATING INFORMATION SERVICES TRAFFIC BETWEEN AT&T OR MCI AND BELLSOUTH?

AT&T POSITION'S: Calls to Information Service providers must be provided to AT&T in a rated format so that AT&T may bill the customer. Until such time as AT&T develops the appropriate billing capability for Information Service Provider calls, AT&T requests BellSouth to continue billing the end user.

ISSUE 19: WHAT BILLING SYSTEM AND WHAT FORMAT SHOULD BE USED TO RENDER BILLS TO AT&T OR MCI FOR SERVICES AND ELEMENTS PURCHASED FROM BELLSOUTH?

AT&T'S POSITION: AT&T requires BellSouth to render Local/IntraLATA bills by utilizing the existing billing systems (CABS) in the standard format (SABR). This is the system that is currently in place for Specials and Switched billing and is the standard being sought nationally.

As an interim process, AT&T will accept CRIS as long as BellSouth can deliver the same information AT&T could obtain using the existing billing systems (CABS) via DIRECT:Connect. Initially (for the first few months), AT&T may not be able to accept the CRIS Detail bill via DIRECT:Connect and will accept a CRIS Detail bill in paper format until the translator for non-standard billing is in place. Implementation via DIRECT: Connect in AT&T's systems is scheduled for delivery with the December bill.

AT&T requires from BellSouth a date for the discontinuance of CRIS and the implementation of CABS. AT&T has proposed that this date be within one year of Agreement execution or when billing standards for Local Services are adopted by the Open Billing Forum, whichever is earlier.

ISSUE 20: SHOULD BELLSOUTH BE REQUIRED TO PROVIDE PROCESS AND DATA QUALITY CERTIFICATION FOR CARRIER BILLING, DATA TRANSFER, AND ACCOUNT MAINTENANCE?

AT&T POSITION: Yes. AT&T requires BellSouth to meet the Direct Measures of Quality ("DMOQs") for connectivity billing. Such standards are currently used in the provision of Specials and Switched billing. AT&T requires such performance measurement standards to ensure meaningful control over billing quality.

ISSUE 21: SHOULD BELLSOUTH BE REQUIRED TO PROVIDE INTERIM NUMBER PORTABILITY SOLUTIONS BESIDES REMOTE CALL FORWARDING? IF YES, WHAT ARE THE COSTS INVOLVED AND HOW SHOULD THEY BE RECOVERED?

AT&T POSITION: Yes. Interim Number Portability shall be provided by Remote Call Forwarding ("RCF"), Route Indexing, or Local Exchange Routing Guide (LERG) reassignment. In addition to providing RCF, BellSouth agrees to provide Route Indexing and LERG reassignment in every local service office. AT&T shall specify on a per telephone number basis as to which method is to be employed and BellSouth shall provide such method to the extent technically feasible.

ISSUE 22: WHAT ARE APPROPRIATE GENERAL CONTRACTUAL TERMS AND CONDITIONS THAT SHOULD GOVERN THE ARBITRATION AGREEMENT (E.G., RESOLUTION OF DISPUTES, PERFORMANCE REQUIREMENTS, AND TREATMENT OF CONFIDENTIAL INFORMATION)?

AT&T'S POSITION: The Act requires BellSouth to provide interconnection, unbundled network elements and wholesale services at terms and conditions that are just, reasonable and non-discriminatory. The terms and conditions proposed by AT&T in its proposed interconnection agreement are appropriate and should be adopted.

ISSUE 23: SHOULD BELLSOUTH BE REQUIRED TO ALLOW AT&T AND MCI TO HAVE AN APPEARANCE (E.G., LOGO OR NAME) ON THE COVER OF THE WHITE AND YELLOW PAGE DIRECTORIES?

AT&T'S POSITION: Yes. BellSouth has an obligation under the Act to provide AT&T with non-discriminatory access to its Directory Listings. If BellSouth's name and logo should appear on the directory cover, AT&T's name and logo also must appear on the cover in the same size and format as BellSouth's name and logo, and under the same terms and conditions as its publishing company, BellSouth Advertising & Directory Publishing Corporation ("BAPCO") requires of BellSouth. "BELLSOUTH" (not BAPCO) appears in very large print on the cover of all of BellSouth's directories and notifies customers that it contains information about BellSouth customers. Without AT&T's name equally prominent on the cover, subscribers may not readily know that the directory includes listings of local subscribers of AT&T as well. Given the current monopoly status of BellSouth, the monopoly power exercised in part through publication of directories, and the purpose of the Act, BellSouth should be required to put AT&T's name and logo on directory covers. In addition, BellSouth should not be permitted to extract unreasonable commitments from AT&T as a condition for placing AT&T's name and logo on the directory cover.

CERTIFICATE OF SERVICE

DOCKET NOS. 960833-TP, 960846-TP and 960916-TP

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by U. S. Mail or hand-delivery to the following parties of record this 20th day of September, 1996:

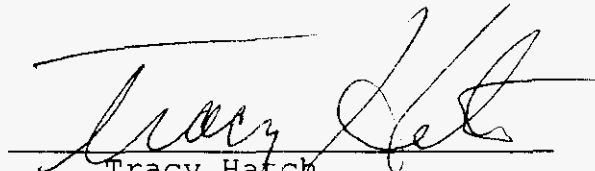
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