

ORIGINAL



Tracy Hatch  
Attorney

January 29, 1998

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

RE: Docket No. 971140-TP

Dear Mrs. Bayo:

Enclosed for filing in the above referenced docket on behalf of AT&T of the Southern States Inc. (AT&T) are the Direct Testimony and Exhibits of David Eppsteiner, Joseph Gillan and John P. Lynott.

Copies of the foregoing are being served on all parties of record in accordance with the attached Certificate of Service. Thank you for your assistance in this matter.

Sincerely,

Tracy Hatch

- ACK \_\_\_\_\_
- AFA 1 \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU Stavanga \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG 1 \_\_\_\_\_
- LIN 54179 \_\_\_\_\_
- OPC \_\_\_\_\_
- RCR \_\_\_\_\_
- SEC 1 \_\_\_\_\_
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

*Eppsteiner - 01567-98*  
*Gillan - 01568-98*  
*Lynott - 01569-98*

**CERTIFICATE OF SERVICE**

**DOCKET NO. 971140-TP**

I HEREBY CERTIFY that a true and correct copy of the forgoing has been furnished by U.S. Mail or hand-delivery to the following parties of record this 29<sup>th</sup> day of January, 1998:

Ms. Nancy White  
c/o Ms. Nancy H. Sims  
BellSouth Telecommunications  
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Tallahassee, Florida 32301

Richard D. Melson, Esquire  
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Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-850

  
Tracy Hatch

ORIGINAL

BEFORE THE

FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF

DAVID EPPSTEINER

ON BEHALF OF

AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.

DOCKET NO. 971140-TP

JANUARY 29, 1998

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DIRECT TESTIMONY OF  
DAVID EPPSTEINER  
ON BEHALF OF  
AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.  
DOCKET NO. 971140-TP

**Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

A. My name is David Eppsteiner. My business address is 1200 Peachtree Street, NE, Atlanta, Georgia 30309.

**Q. WHAT IS YOUR OCCUPATION?**

A. I am a Senior Attorney in AT&T Corp.'s Law and Government Affairs organization. From June 1996 through August 1997, I served as one of two commercial attorneys who focused on negotiations with BellSouth under the Telecommunications Act of 1996. In September, 1997, I became the regulatory attorney responsible for AT&T's Regulatory activities in Alabama and Mississippi.

**Q. PLEASE BRIEFLY OUTLINE YOUR EDUCATIONAL BACKGROUND AND RELATED EXPERIENCE.**

A. I received the degree of Bachelor of Science in Journalism from Northwestern University. I received my Juris Doctor degree from the Washington College of Law of The American University. From 1982 until 1986, I was an associate at the law firm of Anderson, Hibey, Nauheim & Blair in Washington, DC. In 1986, I joined the law firm of McKenna & Cuneo where I specialized in federal

1 procurement and contract litigation and law. In 1995, I joined AT&T's then-  
2 computer subsidiary, AT&T Global Information Systems as an Attorney in the  
3 commercial law group supporting the Federal and State Team's contracting  
4 efforts. In 1996, I joined the Commercial Law team of AT&T Corp.'s Law and  
5 Government Affairs organization in the Southern Region. In that position, I  
6 provided commercial law support to AT&T's Local Services Organization and  
7 assisted in region-wide negotiations with BellSouth Telecommunications, Inc.  
8 under the Telecommunications Act of 1996.

9  
10 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING?**

11 A. I am testifying on behalf of AT&T Communications of the Southern States, Inc.  
12 (AT&T).

13  
14 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

15 A. The purpose of my direct testimony is to outline the requirements of the  
16 AT&T/BellSouth Interconnection Agreement for BellSouth to provide AT&T  
17 with combinations of unbundled network elements. Under the clear and  
18 unambiguous provisions of the AT&T/BellSouth Agreement, those combinations,  
19 whether or not they recreate an existing BellSouth service, must be priced at the  
20 cost-based rates set forth in Part IV of the General Terms and Conditions of the  
21 Agreement, until such time as the parties negotiate or the Commission establishes  
22 different prices. In addition, I discuss BellSouth's obligation to record and  
23 provide to AT&T detailed usage data for switched access service, local exchange  
24 service and long distance service necessary for AT&T to bill customers when  
25 AT&T provides service using unbundled network elements either alone or in

1 combination.

2

3 **Q. WHAT IS THE BASIS FOR YOUR TESTIMONY?**

4 A. I personally participated in the negotiations that resulted in the A&T/BellSouth  
5 Interconnection Agreement that is the subject of this proceeding. The relevant  
6 portions of the Agreement are attached as Exhibit DE-1.

7

8 **Q. COULD YOU EXPLAIN HOW THE LANGUAGE IN THE AGREEMENT**  
9 **CAME ABOUT?**

10 A. The AT&T/BellSouth Interconnection Agreement contains language that resulted  
11 from (1) voluntary negotiations between the parties; and (2) negotiations that  
12 followed a commission order on disputed issues. With respect to the voluntary  
13 negotiations, the vast majority of the contract language was arrived at by mutual  
14 agreement without Commission intervention, even though each party expressed  
15 concerns with language related to issues that were the subject of arbitration, such  
16 as the availability of UNEs. For example, AT&T and BellSouth agreed on all of  
17 the language in Part II of the General Terms and Conditions of the Agreement,  
18 with one exception, Section 30.6. In addition, AT&T and BellSouth also had  
19 reached agreement on contract language covering a significant number of issues  
20 that were not the subject of arbitration. In both cases, the parties attempted to  
21 incorporate the agreements on language that resulted from region-wide  
22 negotiations in all of the interconnection agreements executed by AT&T and  
23 BellSouth. With respect to negotiations that followed a commission order on  
24 disputed issues, AT&T and BellSouth endeavored to use previously negotiated  
25 language where possible, and incorporated new language as necessary to

1 encompass the commission ruling. Because the parties could not reach agreement  
2 on all issues following the issuance of Order No. PSC-96-1579-FOF-TP  
3 (Arbitration Order), issued December 31, 1996, the parties requested assistance  
4 from the Commission to resolve the issues for which agreement on contract  
5 language could not be reached. In that request, each party provided its proposed  
6 contract language and its rational for the language.

7  
8 The Florida Commission ruled on these proposals by Order No. PSC-97-0300-  
9 FOF-TP (First Contract Order), issued March 19, 1997. Following that order,  
10 AT&T and BellSouth again attempted to reach agreement on contract language to  
11 cover the outstanding issues. AT&T believed that agreement had been reached,  
12 but when it came time to execute the contract, BellSouth refused. BellSouth  
13 insisted that the final contract contain certain language regarding the provision of  
14 unbundled network elements. As a result, AT&T again sought the assistance of  
15 the Commission to resolve the matter and by Order No. PSC-97-0600-FOF-TP  
16 (Second Contract Order) issued May 27, 1997, the Commission ordered  
17 BellSouth to execute the agreement containing the language proposed by AT&T.  
18 On June 10, 1997, AT&T and BellSouth filed an executed interconnection  
19 agreement with the Commission. That Agreement was approved on June 19,  
20 1997 by this Commission. (See Order No. PSC-97-0724-FOF-TP, Approval  
21 Order.)

22  
23 **Q. DOES THE CONTRACT REQUIRE BELLSOUTH TO PROVIDE TO**  
24 **AT&T COMBINATIONS OF UNBUNDLED NETWORK ELEMENTS?**

25 **A. Yes. There are a number of contractual provision which unambiguously require**

1 BellSouth to provide AT&T with combinations of unbundled network elements.  
2 Indeed, Section 1 of the General Terms and Conditions specifically provides that  
3 the "Agreement sets forth the terms, conditions and prices under which BellSouth  
4 agrees to provide. . . certain unbundled Network Elements, or combinations of  
5 such Network elements ('Combinations'). . . ." BellSouth's obligation to provide  
6 Combinations is reiterated in Section 30.5 of Part II of the General Terms and  
7 Conditions of the Agreement. That provision provides that "BellSouth shall offer  
8 each Network individually and in combination with any other Network Element  
9 or Network Elements in order to permit AT&T to provide Telecommunications  
10 Services to its Customers subject to the provisions of Section 1A of the General  
11 Terms and Conditions of this Agreement."  
12

13 **Q. WHAT DOES SECTION 1A PROVIDE AND WHY WAS IT**  
14 **SPECIFICALLY REFERENCED IN SECTION 30.5?**

15 A. Section 1A provides that "AT&T may purchase unbundled network elements for  
16 the purpose of combining Network Elements in any manner that is technically  
17 feasible, including recreating existing BellSouth services." This provision is  
18 specifically referenced in Section 30.5, because although there was no dispute  
19 following negotiations with BellSouth's obligation to provide combinations of  
20 unbundled network elements, BellSouth continued to refuse to provide such  
21 combinations at cost based rates where such combinations replicated existing  
22 BellSouth retail services. This issue, thus, was subject to the arbitration  
23 proceedings and rather than renegotiate every provision regarding the provision of  
24 unbundled network elements for every contract in the nine-state BellSouth region,  
25 AT&T and BellSouth agreed to reflect the results of the arbitration proceedings in



1 Section 1A. In the Florida Arbitration decision, the Commission made clear that  
2 AT&T could combine unbundled networks in any manner they choose, including  
3 recreating existing BellSouth services. This is why section 1A is drafted as it is.  
4 In other agreements, the language in Section 1.A is different and reflects the  
5 specific commission's arbitration decision on recombination of unbundled  
6 network elements. In all the agreements, however, the language contained in  
7 Sections 1 and 30.5 is the same, since this language was negotiated voluntarily, on  
8 a region-wide basis.

9  
10 **Q. ARE THERE OTHER PROVISIONS IN THE INTERCONNECTION**  
11 **AGREEMENT THAT OBLIGATE BELL SOUTH TO PROVIDE**  
12 **UNBUNDLED NETWORK ELEMENT COMBINATIONS?**

13 A. Yes. Attachment 4 to the Agreement includes several provisions that require  
14 BellSouth to provide to AT&T combinations of unbundled network elements.  
15 First, Section 2.2 provides that "Combinations, consistent with Section 1.A of the  
16 General Terms and Conditions of this Agreement, shall be identified and  
17 described by AT&T so that they can be ordered and provisioned together and  
18 shall not require the enumeration of each Element within the Combination. . . ."  
19 Second, Section 3.9 obligates BellSouth to "perform testing with AT&T to test  
20 Elements and Combinations purchased by AT&T." Third, Section 4.5 makes  
21 clear that "[w]hen AT&T orders Elements or Combinations that are currently  
22 interconnected and functional, such Elements and Combinations will remain  
23 interconnected and functional without any disconnection or disruption of service."  
24 This means that the agreement obligates BellSouth to provide combinations that  
25 are already combined and that BellSouth cannot disconnect them to provide them

1 to AT&T. These provisions were not subject to the arbitration process and were  
2 negotiated voluntarily by BellSouth and AT&T on a nine-state basis.

3 **Q. HAS BELLSOUTH ACKNOWLEDGED ITS OBLIGATION TO PROVIDE**  
4 **UNBUNDLED NETWORK COMBINATIONS UNDER ITS AGREEMENT**  
5 **WITH AT&T?**

6 **A.** Yes. By letter dated September 12, 1997, BellSouth President -Interconnection  
7 Services Mark L. Feidler wrote to AT&T Vice President Jim Carroll "BellSouth  
8 nonetheless recognizes that the interconnection agreements that have been  
9 executed thus far obligate BellSouth to accept and provision UNE combination  
10 orders."

11  
12 **Q. WHAT DOES THE AGREEMENT PROVIDE REGARDING PRICING OF**  
13 **UNE COMBINATIONS.**

14 **A.** Part IV of the General Terms and Conditions of the Agreement covers pricing of  
15 unbundled network elements. Section 36 in Part IV sets forth the appropriate  
16 prices for unbundled network elements and combinations. Under Section 36, the  
17 agreement states that "The prices that AT&T shall pay to BellSouth for  
18 Unbundled Network Elements are set forth in Table 1." Table 1 includes  
19 recurring and non-recurring charges for various individual unbundled network  
20 elements. In addition, Section 36.1 contains a special provision relating to  
21 charges for multiple network elements. Section 36.1 specifically provides:

22  
23 **Any BellSouth non-recurring and recurring charges shall not**  
24 **include duplicate charges or charges for functions or**  
25 **activities AT&T does not need when two or more Network**

1 Elements are combined in a single order. BellSouth and  
2 AT&T shall work together to mutually agree upon the total  
3 non-recurring and recurring charge(s) to be paid by AT&T  
4 when ordering multiple Network Elements. If the parties  
5 cannot agree to the total non-recurring and recurring charges  
6 to be paid by AT&T when ordering multiple Network  
7 Elements within sixty (60) days of the Effective Date, either  
8 party may petition the Florida Public Service Commission to  
9 settle the disputed charge or charges.

10  
11 **Q. WHY IS THIS PROVISION INCLUDED IN THE FLORIDA**  
12 **BELLSOUTH/AT&T INTERCONNECTION AGREEMENT?**

13 A. BellSouth and AT&T included this provision to reflect the Commission's ruling  
14 on AT&T's Cross Motion for Reconsideration of the Commission's arbitration  
15 decision. See Order No. PSC-97-0298-FOF-TP (Reconsideration Order). AT&T  
16 argued in its motion that the prices for individual elements may not include  
17 duplicate charges or charges for functions that are not needed when two or more  
18 elements are combined. The Commission agreed. In ruling on AT&T's Cross  
19 Motion for Reconsideration, the Commission ordered BellSouth to provide non-  
20 recurring costs that do not include duplicate charges or charges for functions or  
21 activities that AT&T does not need when two or more network elements are  
22 already combined. Similarly, for recurring charges, the Commission ordered  
23 BellSouth to remove all duplicate charges when combinations of network  
24 elements are ordered. Under the ruling, BellSouth and AT&T are to work  
25 together to establish prices that do not include such charges.

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**Q. WHAT DOES THIS LANGUAGE DO FOR THE PRICES FOR UNBUNDLED NETWORK ELEMENT COMBINATIONS?**

A. The prices for such combinations remain those that are set forth in Part IV, Table 1 until such time as BellSouth and AT&T agree to prices that remove the duplicate or unnecessary charges or the Commission establishes otherwise. Thus, if multiple network elements are ordered, under the contract AT&T should pay the sum of the individual element prices. To the extent those prices may contain duplicate charges, AT&T believes that future negotiations or Commission action will bring the prices down.

**Q. WHAT DOES THE CONTRACT PROVIDE FOR PRICING OF UNBUNDLED NETWORK ELEMENT COMBINATIONS WHERE BELLSOUTH DOES THE COMBINING?**

A. As discussed above, under the provisions of the Agreement, BellSouth is required to provide to AT&T combinations of unbundled network elements. If those elements are already combined, under Attachment 4, Section 4.5, BellSouth may not disconnect the combined elements. Pricing will be as set forth in Part IV, Table 1 of the General Terms and Conditions. The Agreement does not require BellSouth to do the combining for AT&T where elements are not currently combined. Therefore, it does not contain such pricing provisions.

**Q. WHAT ABOUT PRICING OF COMBINATIONS WHICH RECREATE**

1           **EXISTING BELLSOUTH RETAIL SERVICES?**

2    A.    The fact that a combination of network elements recreates an existing BellSouth  
3           service is irrelevant for pricing purposes. Under the existing contract, pricing of  
4           such combinations is the same as any other combination of network elements.  
5           The prices set forth in Part IV, Table 1 govern such pricing.

6  
7    **Q.    WHAT ABOUT BELLSOUTH POSITION THAT SUCH COMBINATIONS**  
8           **SHOULD BE PRICED AT THE WHOLESALE DISCOUNT?**

9    A.    Under the contract, the wholesale discount only applies to resold services, not to  
10           services provided through unbundled network element combinations. Indeed,  
11           although BellSouth attempted to include language in the pricing section of the  
12           contract on this issue, the Commission agreed with AT&T that any such language  
13           was not appropriate. Specifically, BellSouth refused to execute the  
14           interconnection agreement with AT&T unless the agreement included the  
15           following language:

16  
17                   Further negotiations between the parties should address the  
18                   price of a retail service that is recreated by combining  
19                   UNEs. Recombining UNEs shall not be used to under cut  
20                   the resale price of the service recreated.

21  
22           The Commission squarely rejected BellSouth's attempt to include such language  
23           in the agreement, holding that although the Commission had expressed some  
24           concerns over the pricing of such services in dicta, BellSouth's proposal to include  
25           the language was "completely unacceptable." The pricing of all combinations is

1 governed by Part IV and Table 1 of the Interconnection Agreement, not the  
2 wholesale discount.

3 **Q. DURING CONTRACT NEGOTIATIONS, DID BELLSOUTH INDICATE**  
4 **ITS BELIEF THE PRICING OF ALL COMBINATIONS SHOULD BE**  
5 **GOVERNED BY PART IV AND TABLE 1?**

6 A. Yes. As discussed above, following the Commission's December 31, 1996,  
7 Arbitration Order, the parties attempted to negotiate final language to include in  
8 the interconnection agreement. One provision upon which agreement could not  
9 be reached involved rates that BellSouth could charge as an "interconnection fee  
10 or other consideration for directly interconnecting any Network Element or  
11 Combination to any other Network Element or Combination. AT&T had  
12 proposed language to clarify explicitly that no additional charge was appropriate.  
13 BellSouth would not agree to AT&T's proposal but instead proposed contract  
14 language that referred to Part IV and Attachment 4. The specific language  
15 BellSouth proposed was:

16

17 BellSouth shall charge AT&T the rates set forth in Part IV  
18 when directly interconnecting any Network Element or  
19 Combination to any other Network Element or Combination.

20 If BellSouth provides such service to an affiliate of BellSouth,  
21 that affiliate shall pay the same charges.

22

23 **Q. IS THIS LANGUGAGE INCLUDED IN THE EXECUTED**  
24 **INTERCONNECTION AGREEMENT?**

25 A. No. The Commission refused to order the inclusion of either AT&T or

1 BellSouth's proposal in the contract. As a result, the contract does not contain  
2 AT&T's proposed language or BellSouth's proposed language. However, it is  
3 clear from BellSouth's proposed language that BellSouth viewed the pricing of  
4 Unbundled Network Elements, combined or uncombined, to be as set forth in Part  
5 IV and Table 1.

6  
7 **Q. DOES THE CONTRACT REQUIRE BELLSOUTH TO PROVIDE TO**  
8 **AT&T DETAILED USAGE DATA FOR SWITCHED ACCESS SERVICE,**  
9 **LOCAL EXCHANGE SERVICE AND LONG DISTANCE SERVICE**  
10 **NECESSARY FOR AT&T TO BILL CUSTOMERS?**

11 A. Yes. BellSouth's obligation to provide this data is clear. Attachment 7 of the  
12 Interconnection Agreement sets forth BellSouth's obligations to provide customer  
13 usage data. Section 2.1 of Attachment 7 specifically provides that BellSouth  
14 "shall provide AT&T with Recorded Usage Data in accordance with" Attachment  
15 7. Section 3.1 of Attachment 7 further provides that "BellSouth will provide all  
16 usage originating from AT&T Customers using BellSouth provided Elements or  
17 Local Services." Section 3.2 of Attachment 7, further provides that "BellSouth  
18 shall provide to AT&T Recorded Usage Data for AT&T Customers only.  
19 BellSouth will not submit other carrier local usage data as part of AT&T  
20 Recorded usage data." Although not spelled out specifically, the contract  
21 language is written broadly to encompass all usage data including switched access  
22 service, local exchange service and long distance services. The types of usage  
23 data requires are shown in Exhibit DE-2.

24  
25 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

1 A. Yes.

2



## **PART II: UNBUNDLED NETWORK ELEMENTS**

### **29. Introduction**

This Part II sets forth the unbundled Network Elements that BellSouth agrees to offer to AT&T in accordance with its obligations under Section 251(c)(3) of the Act. The specific terms and conditions that apply to the unbundled Network Elements and the requirements for each Network Element are described below and in the Network Elements Service Description, Attachment 2. The price for each Network Element is set forth in Part IV of this Agreement. BellSouth shall offer Network Elements to AT&T as of the Effective Date.

### **30. Unbundled Network Elements**

- 30.1 BellSouth shall offer Network Elements to AT&T on an unbundled basis on rates, terms and conditions that are just, reasonable, and non-discriminatory in accordance with the terms and conditions of this Agreement.
- 30.2 BellSouth will permit AT&T to interconnect AT&T's facilities or facilities provided by AT&T or by third Parties with each of BellSouth's unbundled Network Elements at any point designated by AT&T that is technically feasible.
- 30.3 BellSouth will deliver to AT&T's Served Premises any interface that is technically feasible. AT&T, at its option, may designate other interfaces through the Bona Fide Request process delineated in Attachment 14.
- 30.4 AT&T may use one or more Network Elements to provide any feature, function, or service option that such Network Element is capable of providing or any feature, function, or service option that is described in the technical references identified herein.
- 30.5 BellSouth shall offer each Network Element individually and in combination with any other Network Element or Network Elements in order to permit AT&T to provide Telecommunications Services to its Customers subject to the provisions of Section 1A of the General Terms and Conditions of this Agreement.
- 30.6 For each Network Element, BellSouth shall provide a demarcation point (e.g., an interconnection point at a Digital Signal Cross Connect or Light Guide Cross Connect panel or a Main Distribution Frame) and, if necessary, access to such demarcation point, which AT&T agrees is suitable. However, where BellSouth provides contiguous Network Elements to AT&T, BellSouth may provide the existing interconnections

in the singular shall include the plural. The words "shall" and "will" are used interchangeably throughout this Agreement and the use of either connotes a mandatory requirement. The use of one or the other shall not mean a different degree of right or obligation for either Party. A defined word intended to convey its special meaning is capitalized when used. Other terms that are capitalized, and not defined in this Agreement, shall have the meaning in the Act. For convenience of reference, Attachment 10 provides a list of acronyms used throughout this Agreement.

## **GENERAL TERMS AND CONDITIONS**

### **1. Provision of Local Service and Unbundled Network Elements**

This Agreement sets forth the terms, conditions and prices under which BellSouth agrees to provide (a) Telecommunications Service that BellSouth currently provides, or may offer hereafter for resale along with the Support Functions and Service Functions set forth in this Agreement (hereinafter collectively referred to as "Local Services") and (b) certain unbundled Network Elements, or combinations of such Network Elements ("Combinations") and (c) Ancillary Functions to AT&T (Local Services, Network Elements, Combinations, and Ancillary Functions, collectively referred to as "Services and Elements"). This Agreement also sets forth the terms and conditions for the interconnection of AT&T's network to BellSouth's network and the mutual and reciprocal compensation for the transport and termination of telecommunications. BellSouth may fulfill the requirements imposed upon it by this Agreement by itself or, in the case of directory listings for white pages may cause BellSouth Advertising and Publishing Company ("BAPCO") to take such actions to fulfill BellSouth's responsibilities. This Agreement includes Parts I through IV, and their Attachments 1 - 15 and all accompanying Appendices and Exhibits. Unless otherwise provided in this Agreement, BellSouth will perform all of its obligations hereunder throughout its entire service area. The Parties further agree to comply with all provisions of the Act, including Section 271(e) (1).

1.A [ The Services and Elements provided pursuant to this Agreement may be connected to other Services and Elements provided by BellSouth or to any Services and Elements provided by AT&T itself or by any other vendor. AT&T may purchase unbundled Network Elements for the purpose of combining Network Elements in any manner that is technically feasible, including recreating existing BellSouth services.

1.1 Subject to the requirements of this Agreement, AT&T may, at any time add, relocate or modify any Services and Elements purchased hereunder. Requests for additions or other changes shall be handled pursuant to the Bona Fide Request Process provided in Attachment 14. Terminations of any

**Services or Elements shall be handled pursuant to Section 3.1 of the General Terms and Conditions of this Agreement.**

- 1.2 **BellSouth shall not discontinue any Network Element, Ancillary Function, or Combination provided hereunder without the prior written consent of AT&T. Such consent shall not be unreasonably withheld. BellSouth shall not discontinue any Local Service provided hereunder unless BellSouth provides AT&T prior written notice of intent to discontinue any such service. BellSouth agrees to make any such service available to AT&T for resale to AT&T's Customers who are subscribers of such services from AT&T until the date BellSouth discontinues any such service for BellSouth's customers. BellSouth also agrees to adopt a reasonable, nondiscriminatory transition schedule for BellSouth or AT&T Customers who may be purchasing any such service.**
- 1.3 **This Agreement may be amended from time to time as mutually agreed in writing between the Parties. The Parties agree that neither Party will take any action to proceed, nor shall either have any obligation to proceed on a requested change unless and until a modification to this Agreement is signed by authorized representatives of each Party.**

2. **Term of Agreement**

- 2.1 **When executed by authorized representatives of BellSouth and AT&T, this Agreement shall become effective as of the Effective Date stated above, and shall expire three (3) years from the Effective Date unless terminated in accordance with the provisions of Section 3.2 of the General Terms and Conditions.**
- 2.2 **No later than one hundred and eighty (180) days prior to the expiration of this Agreement, the Parties agree to commence negotiations with regard to the terms, conditions, and prices of a follow-on agreement for the provision of Services and Elements to be effective on or before the expiration date of this Agreement ("Follow-on Agreement"). The Parties further agree that any such Follow-on Agreement shall be for a term of no less than three (3) years unless the Parties agree otherwise.**
- 2.3 **If, within one hundred and thirty-five (135) days of commencing the negotiation referenced to Section 2.2, above, the Parties are unable to satisfactorily negotiate new terms, conditions and prices, either Party may petition the Commission to establish an appropriate Follow-on Agreement pursuant to 47 U.S.C. § 252. The Parties agree that in such event they shall encourage the Commission to issue its order regarding such Follow-on Agreement no later than the expiration date of this Agreement. The Parties further agree that in the event the Commission does not issue its order by the expiration date of this Agreement, or if the Parties continue beyond the expiration date of this**

## Provisioning and Ordering

### 1. Network Deployment

1.1 BellSouth shall deploy and maintain network facilities in all its serving areas in every LATA from and after the Effective Date of this Agreement as necessary to provide on a timely basis each of the Elements or Combinations thereof, as defined below, that BellSouth is required to offer to AT&T pursuant to this Agreement.

1.2 Throughout the term of this Agreement, the quality of the technology, equipment, facilities, processes, and techniques (including, without limitation, such new architecture, equipment, facilities, and interfaces as BellSouth may deploy) that BellSouth provides to AT&T under this Agreement shall be in accordance with standards or other measurements that are at least equal to the highest level that BellSouth provides or is required to provide by law and its own internal procedures.

### 2. General Provisioning Requirements

2.1 DELETED

2.2 Combinations, consistent with Section 1.A of the General Terms and Conditions of this Agreement, shall be identified and described by AT&T so that they can be ordered and provisioned together and shall not require the enumeration of each Element within that Combination on each provisioning order. Multiple individual Elements may be ordered by AT&T from BellSouth on a single order without the need to have AT&T send an order for each Element. Until Electronic Interfaces are in place to meet these requirements, AT&T and BellSouth will use best efforts to develop an interim process by no later than April 1, 1997 to meet these requirements.

2.3 DELETED

2.4 BellSouth shall provide provisioning services to AT&T equal to the provisioning services BellSouth provides to itself during normal business hours. If AT&T requests that BellSouth perform provisioning services at times or on days other than as set forth in the preceding sentence, BellSouth and AT&T shall mutually negotiate such provisioning including time interval and cost.

2.5 To ensure that AT&T's Customers have the same ordering experience as BellSouth's Customers:

from AT&T Customers shall receive response time priority that is at least equal to that of BellSouth customers and shall be handled on a "first come first served" basis regardless of whether the customer is an AT&T Customer or a BellSouth customer.

- 3.3 Upon request from AT&T, BellSouth will provide an intercept referral message in Tandem Switching Element that includes any new AT&T telephone number, for the same duration as is provided to BellSouth end-users. This message shall be approved by AT&T and shall be similar in format to the intercept referral messages currently provided by BellSouth for its own end-users.
- 3.4 The Confirmation will provide AT&T with the BellSouth order number, the negotiated service due date, telephone/circuit numbers (as applicable to the service), and the BellSouth service representative name and telephone number. Additional specific data may also be provided, if appropriate.
- 3.5 BellSouth will notify AT&T using the same interface used by AT&T to submit the service order request. When a BellSouth Technician is dispatched to complete the order, the service technician will contact AT&T at the time of completion.
- 3.6 BellSouth will perform pre-service testing as per industry standards and will provide in writing, or electronically as directed by AT&T, all test and turn-up results in support of the Elements or Combinations ordered by AT&T. BellSouth shall provide these test results to AT&T at the same time BellSouth provides its order-specific Order Completion.
- 3.7 As soon as identified, BellSouth shall notify AT&T via electronic interface, when available, of Rejections/Errors contained in any of the data element(s) fields contained on any AT&T Service Request. In the interim, BellSouth will notify AT&T by telephone or facsimile of such Rejections/Errors.
- 3.8 As soon as identified, BellSouth shall notify AT&T via electronic interface, when available (unless otherwise notified by AT&T) of any instances when BellSouth's Committed Due Dates are in jeopardy of not being met by BellSouth on any element or feature contained in any order for Network Elements or Combinations. BellSouth shall concurrently indicate its new committed due date. In the interim, BellSouth will notify AT&T by telephone or facsimile of such jeopardy.
- 3.9 BellSouth will perform testing with AT&T to test Elements and Combinations purchased by AT&T.
- 3.10 DELETED
- 3.11 DELETED

- 3.12 AT&T, where available, may choose between SCE/SMS AIN Access and SS7 AIN Access as designated on AT&T's provisioning order.
- 3.13 BellSouth shall inform AT&T if a customer action results in reassignment of an AIN trigger from an AT&T AIN application to some other service provider's application. Such notification shall be completed within twenty-four (24) hours of the action via electronic interface as described in the Account Maintenance requirements specified in the Customer Billing section of this Agreement.
- 3.14 BellSouth shall maintain a database containing AIN trigger configuration and other data necessary to allow AIN service and feature interactions to be determined by AT&T. BellSouth shall provide AT&T the capability to make queries on a demand basis to such database. AT&T recognizes certain combinations of triggers cannot be active simultaneously on a directory number. Information regarding such conflicts will be provided to AT&T at the time of request.
- 3.15 BellSouth shall provision AIN triggers as requested by AT&T on its provisioning order. BellSouth will not remove a trigger at the request of an end-user. If an end-user requests removal of a trigger that has been provisioned at the request of AT&T, the end user will be referred to AT&T.

4. **General Ordering Requirements**

- 4.1 Upon AT&T's request through a Suspend/Restore Order, BellSouth shall suspend or restore the functionality of any Network Element or Combination. On a non-discriminatory basis as to other BellSouth customers, BellSouth shall implement any restoration priority on a per Network Element or Combination basis in a manner that conforms with AT&T requested priorities.
- 4.2 BellSouth shall provide to AT&T the functionality of blocking calls (e.g., 800, 900, 976 international calls) on an individual switching element basis.
- 4.3 When ordering a Local Switching Element, AT&T may order from BellSouth separate interLATA and intraLATA capabilities (i.e., 2 PICs where available).
- 4.4 Unless otherwise directed by AT&T, when AT&T orders an Element or Combination, all pre-assigned trunk or telephone numbers currently associated with that Network Element or Combination shall be retained without loss of feature capability and without loss of associated functions including, but not limited to, Directory Assistance and 911/E911 capability, capability where such features or functions exist.
- 4.5 When AT&T orders Elements or Combinations that are currently interconnected and functional, such Elements and Combinations will remain

interconnected and functional without any disconnection or disruption of functionality. This shall be known as Contiguous Network Interconnection of network elements.

**5. Ordering Interfaces**

5.1 BellSouth shall provide real time electronic interfaces ("EI") for transferring and receiving Service Orders and Provisioning data as specified in Section 16.8 of Attachment 2 and in Attachment 15.

5.2 BellSouth shall provide real time provisioning data via an electronic interface as described in item 5.1 of this section. Provisioning data shall include providing AT&T the ability: (i) to obtain information on all features and services available, in end-office where customer is provisioned; (ii) to establish if a service call is needed to install the line or service; (iii) to determine the due date and provide information regarding service dispatch/installation schedule, if applicable; (iv) ability to provide an assigned telephone number; and (v) ability to obtain a customer profile, including customer name, billing and residence address, billed telephone numbers, and identification of features and services subscribed to by customer as set forth in Attachment 15.

5.2.1 DELETED

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5.2.5 DELETED

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5.3 BellSouth shall provide the ability to enter a service order via Electronic Interface as described in Subsection 5.1 of this Section. The service order shall provide AT&T the ability to: (i) establish service and order desired features; (ii) establish the appropriate directory listing; and (iii) order intraLATA toll and interLATA toll when applicable in a single, unified order.

**PART IV: PRICING**

34. **General Principles**

All services currently provided hereunder (including resold Local Services, Network Elements, Combinations and Ancillary Functions) and all new and additional services to be provided hereunder shall be priced in accordance with all applicable provisions of the Act and the rules and orders of the Federal Communications Commission and the Florida Public Service Commission.

35. **Local Service Resale**

The rates that AT&T shall pay to BellSouth for resold Local Services shall be BellSouth's Retail Rates less the applicable discount. The following discount will apply to all Telecommunications Services available for resale in Florida.

Residential Service	21.83%
Business Service:	16.81%

36. **Unbundled Network Elements**

The prices that AT&T shall pay to BellSouth for Unbundled Network Elements are set forth in Table 1.

36.1 **Charges for Multiple Network Elements**

Any BellSouth non-recurring and recurring charges shall not include duplicate charges or charges for functions or activities that AT&T does not need when two or more Network Elements are combined in a single order. BellSouth and AT&T shall work together to mutually agree upon the total non-recurring and recurring charge(s) to be paid by AT&T when ordering multiple Network Elements. If the parties cannot agree to the total non-recurring and recurring charge(s) to be paid by AT&T when ordering multiple Network Elements within sixty (60) days of the Effective Date, either party may petition the Florida Public Service Commission to settle the disputed charge or charges.

37. **Compensation For Call and Transport Termination**

The prices that AT&T and BellSouth shall pay are set forth in Table 1.

38. **Ancillary Functions**

38.1 Collocation - The prices that AT&T shall pay to BellSouth are set forth in Table 2.



TABLE 1

**UNBUNDLED NETWORK ELEMENTS**

<b>Network Interface Device, Per Month</b>	<b>\$0.76 (interim rate)</b>
<b>Loops, including NID</b>	
2 wire, per month	\$ 17.00
NRC First	\$140.00
NRC Add'l	\$ 42.00
4 wire, per month	\$ 30.00
NRC First	\$141.00
NRC Add'l	\$ 43.00
2 wire ISDN, per month	\$ 40.00
NRC First	\$306.00
NRC Add'l	\$283.00
DS1, per month	\$ 80.00
NRC First	\$540.00
NRC Add'l	\$465.00
<b>Unbundled Loop Channelization System (DS1 to VG)</b>	
Per system, per month	\$480.00
NRC, First	\$350.00
NRC, Add'l	\$ 90.00
Per voice interface, per month	\$ 1.50
NRC, First	\$ 5.75
NRC, Add'l	\$ 5.50

<b>End Office Switching</b>	
Ports	
2 wire	\$ 2.00
NRC First	\$38.00
NRC Add'l	\$15.00
4 wire	\$10.00 (interim rate)
NRC First	\$38.00 (interim rate)
NRC Add'l	\$15.00 (interim rate)
2 wire ISDN	\$13.00
NRC First	\$88.00
NRC Add'l	\$66.00
2 wire DID	TBD
NRC First	TBD
NRC Add'l	TBD
4 wire ISDN	TBD
NRC First	TBD
NRC Add'l	TBD
4 wire DS1	\$125.00
NRC First	\$112.00
NRC Add'l	\$ 91.00
Usage	
Initial Minute	\$0.0175
Additional Minutes	\$0.005
Features, functions, capabilities	No additional charge

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<b>Operator Systems</b>	
Operator Call Handling-Station & Person	\$1.00 per minute
Automated Call Handling	\$0.10 per call attempt
Directory Assistance	\$0.25 per call
DA Call Completion	\$0.03 per call attempt
Intercept	\$0.01 per call
Busy Line Verification	\$0.80 per call
Emergency Interrupt	\$1.00 per call
<b>Directory Assistance</b>	
DA Database	
per listing	\$0.001
monthly	\$100.00
Direct access to DA service	
per query	\$0.01
monthly	\$5,000.00
NRC, service establish charge	\$820.00
DA transport	
switched local channel	\$133.81 (interim rate)
NRC, first	\$866.97 (interim rate)
NRC, add'l	\$486.83 (interim rate)
switched dedicated DS1 level	
per mile	\$16.75 (interim rate)
per facility termination	\$59.75 (interim rate)
NRC	\$100.49 (interim rate)
switched common	

per DA call	\$0.0003
per DA call per mile	\$0.00001
tandem switching	
per DA call	\$0.00055
<b>Dedicated Transport</b>	
DS1, facility termination	\$ 59.75
DS1, per mile	\$ 1.60
NRC	\$100.49 (interim rate)
<b>Common Transport</b>	
Facility termination, per MOU	\$0.0005
Per mile, per MOU	\$0.000012
<b>Tandem Switching</b>	\$0.00029 per minute
<b>Signaling Links</b>	
Link	\$5.00 per link, per month
non-recurring	\$400.00
Link termination	\$113.00

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<b>Signal Transfer Points</b>	
ISUP	\$0.00001 per message
TCAP	\$0.00004 per message
Usage surrogate	\$64.00 per month
<b>Service Control Points</b>	
LIDB (1)	TBD
Toll Free Database (1)	TBD
AIN, per message	\$0.00004 (interm rate)
AIN, Service Creation Tools (1)	TBD
AIN, Mediation (1)	TBD
(1) BellSouth and AT&T shall negotiate rates for this offering. If agreement is not reached within sixty (60) days of the Effective Date, either party may petition the Florida PSC to settle the disputed charge or charges.	
<b>Call Transport and Termination</b>	
Direct End Office interconnection	\$ .002 per MOU
Interconnection at the Tandem Switch, - Tandem switch + transport - End Office Switch - Combined	\$ .00125 per MOU \$.00200 per MOU \$.00325 per MOU

## PROVISION OF CUSTOMER USAGE DATA

### 1. Introduction

1.1 This Attachment sets forth the terms and conditions for BellSouth's provision of Recorded Usage Data (as defined in this Attachment) to AT&T. At AT&T's request, Recorded Usage Data shall be provided by BellSouth to AT&T when AT&T purchases Network Elements, Combinations, or Local Services from BellSouth.

### 2. General Requirements for Recorded Usage Data

2.1 BellSouth shall provide AT&T with Recorded Usage Data in accordance with this Attachment 7.

2.2 **DELETED**

2.3 BellSouth shall retain Recorded Usage Data in accordance with applicable law and regulation.

### 3. Usage Data Specifications

3.1 BellSouth will record all usage originating from AT&T Customers using BellSouth-provided Elements or Local Services. Recorded Usage Data includes, but is not limited to, the following categories of information:

- Completed Calls
- Use of Feature Activations for Call Return, Repeat Dialing, and Usage Sensitive Three Way Calling
- Rated Calls To Information Providers Reached Via BellSouth Facilities
- Calls To Directory Assistance Where BellSouth Provides Such Service To An AT&T Customer
- Calls Completed Via BellSouth-Provided Operator Services Where BellSouth Provides Such Service To AT&T's Local Service Customer originating from AT&T's customer or billed to AT&T
- For BellSouth-Provided Centrex Service, Station Level Detail
- Records Shall Include Complete Call Detail And Complete Timing Information

3.2 BellSouth shall provide to AT&T Recorded Usage Data for AT&T Customers only. BellSouth will not submit other carrier local usage data as part of the AT&T Recorded Usage Data.

3.3 **DELETED**