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May 1, 1998

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

RE: Docket Nos. 971478-TP (WorldCom), 980184-TP (Teleport),
980495-TP (Intermedia) and 980499-TP (MCI)

Dear Ms. Bayo:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Prehearing Statement, which we ask that you file in the captioned dockets.

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.

- ACK
- AFA _____
- APP _____
- CAF _____
- CMU
- CTR _____
- EAG _____
- LEG 2
- LIN 5
- OPC _____
- RCH _____
- SEC 1
- WAS _____
- OTH _____

Sincerely,

Nancy B. White (kr)

Nancy B. White

Enclosures

cc: All Parties of Record
A. M. Lombardo
R. G. Beatty
W. J. Ellenberg

RECEIVED & FILED

[Signature]
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

04955 MAY-1 88

FPSC-RECORDS/REPORTING

CERTIFICATE OF SERVICE
Docket Nos. 971478-TP, 980184-TP, 980495-TP and 980499-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Federal Express this 1st day of May, 1998 to the following:

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Nancy B. White (KR)
Nancy B. White

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint of WorldCom Technologies,) Docket No.: 971478-TP
Inc. Against BellSouth Telecommunications, Inc.)
and Request for Relief)
_____)

In re: Complaint of Teleport Communications) Docket No.: 980184-TP
Group, Inc./TCG South Florida for Enforcement)
of Section IV.C of its Interconnection Agreement)
with BellSouth Telecommunications, Inc. and)
Request for Relief.)
_____)

In re: Complaint of Intermedia) Docket No.: 980495-TP
Communications, Inc. against)
BellSouth Telecommunications, Inc.)
for breach of terms of Florida)
Partial Interconnection Agreement)
under Sections 251 and 252 of the)
Telecommunications Act of 1996,)
and request for relief.)
_____)

In re: Complaint of MCImetro Access) Docket No.: 980499-TP
Transmission Services, Inc. against)
BellSouth Telecommunications, Inc.)
For Breach of Approved)
Interconnection Agreement by Failure to)
Pay Compensation for Certain Local)
Traffic)
_____) Filed May 1, 1998

PREHEARING STATEMENT OF BELL SOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc. ("BellSouth"), in compliance with the Order Consolidating Dockets, Establishing Procedure, and Establishing Tentative List of Issues (Order No. PSC-98-0561-PCO-TP), issued April 21, 1998, hereby submits its Prehearing Statement for Docket Nos. 971478-TP, 980184-TP, 980495-TP, and 980499-TP.

DOCUMENT NUMBER-DATE
04955 MAY-18
FPSC-RECORDS/REPORTING

A. Witnesses

BellSouth proposes to call the following witness to offer direct and rebuttal testimony on the issues in this docket:

<u>Witness</u>	<u>Issue(s)</u>
Jerry Hendrix (Direct and Rebuttal)	All

BellSouth reserves the right to call additional 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 the Prehearing Officer at the prehearing conference to be held on May 13, 1998.

B. Exhibits

Jerry Hendrix	JDH-1	Diagram
Jerry Hendrix	JDH-2	Diagram

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 Rules of this Commission.

C. Statement of Basic Position

Calls made by an end user customer to access the Internet or other services offered by an Internet Service Provider ("ISP") do not constitute local

traffic. These calls are in the nature of exchange access traffic that is jurisdictionally interstate.

The interconnection agreements negotiated between BellSouth and the parties in this proceeding require the termination of calls on either BellSouth's network or the other party's network for reciprocal compensation payments to occur. Call termination does not occur when an ALEC, serving as a conduit, places itself between BellSouth and an ISP. The agreements between BellSouth and the parties to this proceeding also require that, for reciprocal compensation to occur, traffic must be jurisdictionally local as defined by the agreements. ISP traffic is not jurisdictionally local because the Federal Communications Commission ("FCC") has concluded that enhanced service providers, of which ISPs are a subset, use the local network to provide interstate services. The FCC has long held that the jurisdictional nature of traffic is determined by the end-to-end nature of a call.

The FCC has initiated a proceeding to determine whether calls to an ISP made from within a local calling area should be treated jurisdictionally. The Commission should not act until the FCC acts in that proceeding. The status quo should be maintained.

D. BellSouth's Position on the Issues

Issue 1: Under their Florida Partial Interconnection Agreement, are WorldCom Technologies, Inc./MFS Communications Company, Inc., and

BellSouth Telecommunications, Inc., required to compensate each other for transport and termination of traffic to Internet Service Providers? If so, what action, if any, should be taken?

Position: No BellSouth is only required to compensate WorldCom for transport and termination of local traffic. ISP traffic is interstate traffic. No action need be taken by the Commission.

Issue 2: Under the Interconnection Agreement, are Teleport Communications Group, Inc./TCG South Florida and BellSouth Telecommunications, Inc., required to compensate each other for transport and termination of traffic to Internet Service Providers? If so, what action, if any, should be taken?

Position: No BellSouth is only required to compensate Teleport for the termination of local traffic. ISP traffic is interstate traffic. No action need be taken by the Commission.

Issue 3: Under the Interconnection Agreement, are MCImetro Access Transmission Services, Inc., and BellSouth Telecommunications, Inc., required to compensate each other for transport and termination of traffic to Internet Service Providers? If so, what action, if any, should be taken?

Position: No BellSouth is only required to compensate MCI for the termination of local traffic. ISP traffic is interstate traffic. No action need be taken by the Commission.

Issue 4: Under the Interconnection Agreement, are Intermedia Communications, Inc., and BellSouth Telecommunications, Inc., required to compensate each other for transport and termination of traffic to Internet Service Providers? If so, what action, if any, should be taken?

Position: No BellSouth is only required to compensate Intermedia for the delivery and termination of local traffic. ISP traffic is interstate traffic. No action need be taken by the Commission.

E. Stipulations

There are no stipulations of which BellSouth is aware.

F. Pending Motions

There are no pending motions at this time.

G. Other Requirements

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

Respectfully submitted this 1st day of May, 1998.

BELLSOUTH TELECOMMUNICATIONS, INC.

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