



# Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

---

**DATE:** AUGUST 16, 1999  
**TO:** ALL PARTIES  
**FROM:** BETH KEATING, Staff Counsel *BK*  
DONNA CLEMONS, Staff Counsel *DMC CB*  
**RE:** DOCKET NO. 990649-TP - INVESTIGATION INTO PRICING OF UNBUNDLED NETWORK ELEMENTS.

---

On June 23, and 30, 1999, we conducted issues identification meetings in this docket. As a result of the meetings, staff and the parties agreed upon the issues to be addressed at hearing. These issues were approved by Order No. PSC-99-1397-PCO-TP, issued July 20, 1999.

Based on the discussion at the issues identification meetings, staff understood that while we would consider whether cost studies should be filed and, if so, what the cost studies should address, we would not be addressing specific values for cost study inputs. There seemed to be universal agreement on this point. However, some confusion has arisen in view of certain direct testimony concerning specific cost of capital and depreciation inputs filed by BellSouth on August 11, 1999. Staff counsel has discussed this matter with counsel for BellSouth and has further clarified staff's position that specific input values will not be addressed in Phase I of this proceeding. Based on this discussion, counsel for BellSouth has agreed to withdraw the direct testimony and exhibits of G. David Cunningham and Dr. Randall S. Billingsley.

i:/990649mm.bk

DOCUMENT NUMBER-DATE

09774 AUG 17 99

PSC-RECORDS/REPORTING

*ML*