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March 15, 2001

**BY HAND DELIVERY**

Blanca Bayó  
Director, Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

Re: Docket No. 001411-TI

Dear Ms. Bayó:

This letter is a follow-up to WorldCom's First Quarterly Refund/Rate Reduction Status Report filed in this docket on March 6, 2001.

Pursuant to Order No. PSC-00-2139-PAA-TI, WorldCom made a prospective reduction to the rates for its WorldOne product which was designed to flow-through to its customers a total of \$1,482,656 within 15 months from December 2000, when the Order Approving Settlement Offer became final.

In calculating the size of the rate reduction required to accomplish the required flow-through, WorldCom used historical information on the number of WorldOne minutes of use. Since August 2000 when the Offer of Settlement was originally made, WorldOne minutes of use have declined dramatically, from almost 4 million MOU in July 2000 to approximately 1.6 million MOU in January 2001. This reduction is due to a number of factors, including an industry-wide decline in wireline long distance minutes and the reduced use of the WorldOne product by resellers,

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at least one of whom has ceased operations due to financial difficulties.

As a result of this decline in MOU, the rate reduction which had been calculated based on historical data is not achieving the projected revenue reduction. In fact, based on annualization of January 2001 MOU, the total annual revenues from the WorldOne product over the next 12 months are projected to be less than the required \$1.4 million flow-through obligation.

WorldCom recognized this situation when preparing its first quarterly status report to the Commission, and has met informally with the Commission staff to discuss possible solutions.

WorldCom proposes to address this issue by extending the flow-through rate reduction to other business products in addition to its WorldOne offering. Under this approach, WorldCom would initially apply roughly 34% of the remaining flow-through amount to WorldOne. This will result in rates averaging less than \$.005/MOU, which is below WorldCom's cost, or about a 95% rate reduction for WorldOne customers. WorldCom would apply the balance of the flow-through to two other products offered to business customers, known as Intelenet and Easyanswer. The rates for these products would initially be reduced by amounts ranging from 55-85%.

WorldCom would continue to monitor the usage of these products, and the resulting revenue reductions, on a monthly basis, and would adjust the rates as needed to complete the flow-through by February 2002.

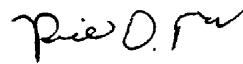
WorldCom will be happy to meet with the staff regarding this proposed solution, and hopes that the staff will be in a position to recommend approval to the Commission at the earliest available opportunity.

Copies of this letter have been furnished directly to the staff members involved in this docket.

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If you have any questions regarding this filing, please call.

Very truly yours,

A handwritten signature in black ink, appearing to read "Richard D. Melson". The signature is written in a cursive, slightly slanted style.

Richard D. Melson

RDM/mee

cc: Mr. Rick Moses  
Mr. Ray Kennedy  
Mr. Tim Vaccaro  
Mr. Brian Sulmonetti