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DATE: FEBRUARY 20, 2003  
TO: DIRECTOR, DIVISION OF THE COMMISSION CLERK  
ADMINISTRATIVE SERVICES (BAYO)  
FROM: DIVISION OF COMPETITIVE MARKETS & ENFORCEMENT (DOWDS)  
OFFICE OF THE GENERAL COUNSEL (BANKS) P/B B/C  
RE: DOCKET NO. 010098-TP - PETITION BY FLORIDA DIGITAL NETWORK, INC. FOR ARBITRATION OF CERTAIN TERMS AND CONDITIONS OF PROPOSED INTERCONNECTION AND RESALE AGREEMENT WITH BELLSOUTH TELECOMMUNICATIONS, INC. UNDER THE TELECOMMUNICATIONS ACT OF 1996.  
AGENDA: 03/04/03 - REGULAR AGENDA - POST-HEARING DECISION - PARTICIPATION IS LIMITED TO COMMISSIONERS AND STAFF  
CRITICAL DATES: NONE  
SPECIAL INSTRUCTIONS: NONE  
FILE NAME AND LOCATION: S:\PSC\CMP\WP\010098.RCM

CASE BACKGROUND

Pursuant to Section 252 of the Telecommunications Act of 1996 (Act), Florida Digital Network, Inc. (FDN) petitioned for arbitration with BellSouth Telecommunications, Inc. (BellSouth) on January 24, 2001. On February 19, 2001, BellSouth filed its Response to FDN's petition for arbitration. On April 9, 2001, FDN filed a Motion to Amend Arbitration Petition. On April 16, 2001, BellSouth filed its Response In Opposition to the Motion. FDN filed its Reply to BellSouth's Opposition to Motion to Amend Arbitration Petition on April 30, 2001. On May 22, 2001, Order No. PSC-01-1168-PCO-TP was issued granting FDN's Motion to Amend Arbitration Petition.

Prior to the administrative hearing, the parties resolved all issues except one. An administrative hearing was held on August

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15, 2001. On September 26, 2001, FDN filed a Motion to Supplement Record of Proceeding. BellSouth filed a timely opposition to FDN's motion on October 3, 2001. On December 6, 2001, Order No. PSC-01-2351-PCO-TP was issued denying FDN's Motion to Supplement Record of Proceeding. This docket was considered at the April 23, 2002, Agenda Conference. On June 5, 2002, Order No. PSC-02-0765-FOF-TP, Final Order on Arbitration, was issued.

On June 17, 2002, FDN filed a Motion for Clarification, or Reconsideration. BellSouth filed its Response to this motion on June 24, 2002.

On June 20, 2002, BellSouth filed a Motion for Reconsideration, or in the Alternative, Clarification. FDN filed its Response/Opposition to this motion on June 27, 2002. On that same day, FDN also filed a Cross-Motion for Reconsideration. BellSouth filed a Motion to Strike Cross-Motion for Reconsideration, or in the Alternative, Response to FDN's Cross-Motion on July 5, 2002.

We note that in their pleadings both parties also had requested an extension of time to file an interconnection agreement. On July 3, 2002, Order No. PSC-02-0884-PCO-TP was issued granting BellSouth's request for extension of time to file an interconnection agreement. On October 21, 2002, Order No. PSC-02-1453-FOF-TP was issued Denying Motions for Reconsideration, Cross-Motion for Reconsideration and Motion to Strike.

On November 20, 2002, BellSouth filed its executed interconnection agreement with FDN. (On February 5, 2003 BellSouth filed a replacement agreement that contains updated Florida rates for unbundled network elements.) Although the parties were able to reach agreement on most points, disagreements remain as to the specific language that should be incorporated into the agreement to reflect the Commission's decision as to BellSouth's obligation " . . .to continue to provide its FastAccess Internet Service to end users who obtain voice service from FDN over UNE loops." (Order No. PSC-02-0765-FOF-TP (FDN Order), p. 11) On this same date BellSouth also submitted its Position in Support of its Proposed Contract Language (BellSouth Position), in which it sets forth its proposed language where there is a dispute; similarly, FDN's proposed language is contained in its Motion to Approve Interconnection Agreement filed contemporaneously (FDN Motion to Approve). On

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December 2, 2002, FDN filed a Response to BellSouth's Position in Support of Proposed Contract Language (FDN Response).

This recommendation addresses which language, where the parties are in disagreement, should be included in the final executed interconnection agreement filed by BellSouth and FDN.

This Commission is vested with jurisdiction in this matter pursuant to Section 252 of the Act to arbitrate interconnection agreements, as well as Sections 364.161 and 364.162, Florida Statutes.

**DISCUSSION OF ISSUES**

**ISSUE 1:** What language should be included in the parties' agreement to memorialize the Commission's decision regarding the provision of FastAccess?

**RECOMMENDATION:** The recommendations on disputed language contained in the staff analysis should be reflected in the parties' agreement. (DOWDS)

**STAFF ANALYSIS:**

In its Position in Support of its Proposed Contract Language, BellSouth identifies seven major areas where the parties disagree as to the wording that should be reflected in their agreement. For ease of reference, staff will follow the format in BellSouth's filing, discuss the views and arguments of BellSouth and FDN on each area, and then provide separate recommendations as to language for each of the seven areas. Language in dispute will be underlined.

I. Section 2.10.1

BellSouth language:

In order to comply with the Florida Public Service Commission's Order in Docket No. 010098-TP, and notwithstanding any contrary provisions in this Agreement, BellSouth Tariff F.C.C. Number 1, or any other agreements or tariffs of BellSouth, in cases in which BellSouth provides BellSouth® FastAccess® Internet Service ("FastAccess") to an end-user and FDN submits an authorized request to provide voice service to that end-user, BellSouth shall continue to provide FastAccess to the end-user who obtains voice service from FDN over UNE loops.

FDN language:

In order to comply with the Florida Public Service Commission's Order in Docket No. 010098-TP, and

notwithstanding any contrary provisions in this Agreement, BellSouth Tariff F.C.C. Number 1, or any other agreements or tariffs of BellSouth, in cases in which BellSouth provides xDSL services (as defined in this Section 2.10) to an end user and FDN submits an authorized request to provide voice service to that end user, BellSouth shall continue to provide xDSL services to the end user.

There are two aspects in dispute here.

A. FastAccess service v. xDSL services

BellSouth believes that this Commission only ordered it to continue providing FastAccess, its high-speed Internet access service, when a customer migrates his voice service to FDN. FDN notes that other independent Internet service providers, such as Earthlink or AOL, can subscribe to BellSouth's tariffed interstate ADSL transport offering and offer a high-speed Internet access service in competition with BellSouth. FDN notes that under BellSouth's interpretation of the Commission's order, if a BellSouth voice customer who, e.g., receives AOL's high-speed Internet Access service switches his voice service to FDN, BellSouth would be allowed to discontinue the provision of the interstate ADSL service, thus eliminating the customer's AOL high-speed Internet access service. FDN asserts that this Commission did not intend BellSouth's restrictive reading, which it believes is arbitrary, capricious, and unsupported by the record in this proceeding.

Analysis: In the FDN order the Commission concluded: "Pursuant to Sections 364.01(4)(b), (4)(d), (4)(g), and 364.10, Florida Statutes, as well as Sections 202 and 706 of the Act, we find that for the purpose of the new interconnection agreement, BellSouth shall continue to provide its FastAccess Internet Access Service to end users who obtain voice service from FDN over UNE loops." (FDN order, p.11; emphasis added) FDN contends that BellSouth bases its interpretation on "occasional" uses of the term "FastAccess" in the Commission's order. Staff notes that FDN cites to nowhere in the record where the Commission raised similar concerns pertaining to other ISPs.

Recommendation: Staff believes that the occurrence of the term "FastAccess Internet Access Service" in the ordering statement unequivocally supports BellSouth's language.

B. UNE loops v. UNE-P

BellSouth interprets the Commission's order narrowly, as only requiring them to continue providing FastAccess over a FDN UNE loop, but not over a UNE-P, if FDN were to subscribe to one. BellSouth asserts that the issue in the arbitration only dealt with FastAccess on UNE loops and that there is no record evidence regarding UNE-P. Moreover, BellSouth notes that as a facilities-based provider, FDN purchases UNE loops from BellSouth.

FDN disputes BellSouth's view of the Commission's FDN order, initially noting that BellSouth's position is absurd because a UNE-P is a type of UNE loop. FDN further contends the parties need not argue about what the FPSC meant because the Commission has already spoken. In its Response FDN states:

Shortly after the Commission issued its award in the FDN arbitration, the Commission permitted Supra Telecom to incorporate the FDN arbitration award into its own interconnection agreement. The relief the Commission provided Supra, which was based on the FDN award and on the record from the FDN arbitration, expressly obligated BellSouth to continue providing its DSL service when an end-user converts its voice service to Supra utilizing a UNE-P line. It would make no sense at all for the Commission to sanction an inconsistent result here, as BellSouth requests. (P. 2; footnote omitted)

Analysis: Staff agrees that in some sense a UNE-P is a form of loop, as argued by FDN. We also note that the Commission concluded on reconsideration in Docket No. 001305-TP (Supra/BellSouth arbitration) that BellSouth was obligated to continue providing FastAccess when a customer converts his voice service to Supra using a UNE-P line. However, staff believes the two proceedings are distinguishable. In the Supra docket, Supra, who currently is a UNE-P provider, expressly complained that BellSouth was disconnecting FastAccess when Supra migrated a FastAccess customer to UNE-P. (See generally pp. 49-51 of Order No. PSC 02-0878-FOF-

TP). In fact, the approved language in the Supra/BellSouth agreement implementing this provision is limited to UNE-P:

2.16.7 Where a BellSouth voice customer who is subscribing to BellSouth FastAccess internet service converts its voice service to Supra utilizing a UNE-P line, BellSouth will continue to provide Fast Access service to that end user. (Attachment 12, page 12)

In contrast, as noted by BellSouth, there is no mention in the FDN proceeding of continuing FastAccess in conjunction with UNE-P because FDN represented itself as not being a UNE-P provider; rather, they obtain UNE loops from BellSouth, not UNE-P.

Recommendation: Staff recommends that BellSouth's language, which references UNE loops, be adopted.

II. Section 2.10.1.2

BellSouth language: None

FDN language:

For purposes of this subsection 2.10, BellSouth xDSL services include, but are not limited to, (i) the xDSL telecommunications services sold to information services providers on a wholesale basis and/or other customers pursuant to any BellSouth contract or tariff, and (ii) retail information services provided by BellSouth that utilize xDSL telecommunications provided by BellSouth.

Recommendation: As noted under I.A. above, staff recommends that BellSouth's obligation to continue providing high-speed Internet access service is limited to its FastAccess information service. If the Commission approves staff's recommendation on I.A., FDN's above proposed language should be rejected; conversely, if the Commission denies staff's recommendation on I.A., the above language should be included in the parties' agreement.

III. BellSouth Section 2.10.1.5; FDN Section 2.10.1.5.1 and 2.10.1.5.2

BellSouth language:

2.10.1.5 BellSouth may not impose an additional charge to the end-user associated with the provision of FastAccess on a second loop. Notwithstanding the foregoing, the end-user shall not be entitled to any discounts on FastAccess associated with the purchase of other BellSouth products, e.g., the Complete Choice discount.

FDN language:

2.10.1.5.1 BellSouth may not impose any additional charges on FDN, FDN's customers, or BellSouth's xDSL customer related to the implementation of this Section 2.10.

2.10.1.5.2 The contractual or tariffed rates, terms and conditions under which BellSouth xDSL services are provided will not make any distinction based upon the type, or volume of voice or any other services provided to the customer location.

In its Position BellSouth indicates that it currently provides a \$4.95 Complete Choice discount to its retail voice customers who subscribe to both Complete Choice and FastAccess. It objects to FDN's proposed language because it presumably would require BellSouth to offer this discount to FDN's voice customers who subscribe to the stand-alone FastAccess service. BellSouth contends nothing in federal or state law mandates that it ". . . pass on a combined offering discount to customers who fail to meet the conditions for the combined offer." (BellSouth Position, p. 5) It notes that anomalous discrimination could occur. For example, a BellSouth FastAccess business customer who did not also subscribe to Complete Choice would pay \$79.95 per month. However, under FDN's theory, a FDN FastAccess business customer, who also did not have BellSouth's Complete Choice, would instead pay \$75.00. BellSouth observes that its proposed language is consistent with the comments of two of the Commissioners who participated in the agenda conference dealing with the parties' motions for reconsideration, where they stated that there may be justification

for affording a BellSouth customer a discount when multiple services are provided in conjunction with FastAccess. Finally, BellSouth asserts that FDN's language effectively requires the stand-alone FastAccess offering to be identical to BellSouth's standard retail FastAccess service. However, the stand-alone product BellSouth proposes to offer will not have a back-up dial-up account, and will be billed only to a credit card.

FDN considers its proposed language to be non-discrimination provisions that are necessary in order to achieve the goal of the Commission's FDN arbitration order. FDN alleges that its §2.10.1.5.2 ". . . simply requires BellSouth to provide its xDSL service on a stand-alone basis without regard to other services that BellSouth may provide the end-user. FDN is particularly concerned about the impact of product "bundles" of voice and data services in which an excessive share of the "cost" of the bundled services is inappropriately imputed to the xDSL services that end-users acquire on an [sic] individual basis." (FDN Motion to Approve, pp. 8-9) FDN further argues that the Commission must reject BellSouth's proposed language in its §2.10.1.5, which disqualifies FDN voice customers who retain their FastAccess from receiving discounts associated with purchasing other BellSouth products. FDN states that BellSouth's linking of discounts on FastAccess to a customer's buying BellSouth voice products ". . . would constitute virtually the same type of tying arrangement that the Commission found unlawful in the first place." (Motion to Approve, p.9)

Analysis: As noted by BellSouth, this issue was debated by the presiding panel at the October 1, 2002 agenda conference. Commissioner Deason had stated his view that the Commission should not dictate to BellSouth what they should charge for FastAccess. (TR 21) He then noted:

I guess what my point is that there should not be a separate charge different from a similarly situated customer - a similarly situated customer should not have to pay more simply because they choose to migrate to a different voice provider. It should be the same charge. BellSouth is free to charge what they want, and the market will dictate, I would assume, what they can charge. But I wouldn't want two similarly situated customers, one having voice service from FDN and another having all services from BellSouth, and the FastAccess

charge is more for the customer who chooses to obtain voice service from FDN. (TR 22)

However, Commissioner Deason subsequently qualified the above conclusion:

Let me clarify one thing. I just thought about it right when I was saying about the additional charge. If there are discounts available to a BellSouth customer who chooses to obtain all of their services from BellSouth, that may be a justified reason to have a package price or something like that. (TR 23)

Chairman Jaber agreed with the point made by Commissioner Deason. (TR 25)

Accordingly, staff believes that the Commission considered that there could be circumstances where a customer who subscribed to FastAccess plus other BellSouth services was entitled to a discount that need not be made available to a customer who subscribed only to FastAccess.

Recommendation: Staff recommends that BellSouth's proposed language be adopted, while excluding FDN's proposed language.

IV. BellSouth Section 2.10.1.6; FDN Section 2.10.1.5.4

BellSouth language:

2.10.1.6 BellSouth shall bill the end user for FastAccess via a credit card. In the event the end user does not have a credit card or does not agree to any conditions associated with Standalone FastAccess, BellSouth shall be relieved of its obligations to continue to provide FastAccess to end users who obtain voice service from FDN over UNE loops.

FDN language:

2.10.1.5.4 BellSouth will continue to provide end users receiving FDN voice service and BellSouth xDSL service the same billing options for xDSL service as before, or the parties will collaborate on the development of a

billing system that will permit FDN to provide billing services to end-users that receive BellSouth xDSL services.

BellSouth states that it bills its end users for FastAccess either on their bill for BellSouth voice services or on a credit card, and notes that its billing systems currently can only generate a bill where the end user is a retail voice customer. Accordingly, since the FastAccess end user will be a FDN voice customer rather than a BellSouth voice customer, BellSouth opines that its only option is to bill such FastAccess customers to a credit card. Further, BellSouth asserts that if the customer declines to pay by credit card, BellSouth should no longer be obligated to provide FastAccess to the customer.

BellSouth also notes that in order to provision the FastAccess on a second loop, there may be occasions where BellSouth will need to re-wire the end user's jacks. Where this occurs, the customer will need to approve the re-wiring and provide BellSouth access to the premises. Here too, if the customer objects to the re-wiring or providing BellSouth access, BellSouth should be relieved of its obligation to provide FastAccess.

FDN objects to BellSouth's proposed language in Section 2.10.1.6. In its Motion to Approve, FDN contends that BellSouth has provided no justification for why, when a FastAccess customer does not take his voice service from BellSouth, he must provide a credit card for billing. FDN believes that such a practice would inconvenience and annoy many customers. As an alternative, FDN proposes that FDN and BellSouth arrive at a mutually acceptable arrangement whereby FDN could bill customers for BellSouth-provisioned FastAccess. FDN asserts that "[i]t is not reasonable for BellSouth to incur the additional expense of provisioning xDSL on an expensive stand alone loop but then claim that it is too expensive to send a paper bill to the customer for that service." (Motion, pp.9-10) Moreover, FDN believes that "BellSouth's alleged billing problems should not serve as an excuse relieving BellSouth of its obligation to provide ALEC voice end users xDSL service, thereby suppressing competition in the voice market." (Response, p.4)

Analysis: Unfortunately, neither the Commission's two prior orders in this proceeding nor the discussion at the reconsideration

agenda conference provide unequivocal direction as to this implementation matter. Nevertheless, staff here attempts to forge recommendations we believe are consistent with Commission precedent and state and federal law. We believe it is reasonable and is not discriminatory for BellSouth to request FDN FastAccess customers to be billed to a credit card, because this is an option available to BellSouth's own customers. However, staff does not believe that BellSouth discontinuing a customer's FastAccess service merely because he declines to offer up a credit card for billing comports with the intent of the Commission's prior decisions. To the contrary, we believe it is incumbent upon BellSouth, perhaps in conjunction with FDN, to remedy its own billing problems. On the other hand, we agree with BellSouth that where a FastAccess customer does not provide access to his premises to perform any needed re-wiring, BellSouth should be relieved of its obligation to offer FastAccess. Since the parties have agreed that a FastAccess customer who migrates his voice service to FDN will have his FastAccess provisioned on a standalone loop, then it appears to staff that situations like this may arise where it is technically infeasible for BellSouth to provide service. Staff believes that neither party's language is precisely on point, though FDN's comes closest.

Recommendation: Staff recommends that FDN's language be modified to reflect that: (a) BellSouth may request that service be billed to a credit card but cannot discontinue service if this request is declined; (b) BellSouth may discontinue FastAccess service if access to the customer's premises to perform any necessary re-wiring is denied; and (c) where a customer declines credit card billing, it is incumbent on BellSouth to arrive at an alternative way to bill the customer. Staff offers the following language for inclusion in the parties' agreement, while noting that the parties are free to negotiate alternative language that comports with this recommendation:

2.10.1.6 BellSouth may request that the end user's FastAccess service be billed to a credit card. If the end user does not provide a credit card number to BellSouth for billing purposes, BellSouth shall determine an alternative means to bill the end user. If the end user refuses to allow BellSouth access to his premises where necessary to perform any re-wiring, BellSouth may

discontinue the provision of FastAccess service to the end user.

V. BellSouth Section 2.10.2.5; no comparable FDN language

BellSouth language:

If the end user does not have FastAccess but has some other DSL service, BellSouth shall remove the DSL service associated USOC and process the FDN LSR for the UNE loop.

As noted by BellSouth, this issue again pertains to whether the Commission ordered BellSouth to continue providing its interstate tariffed DSL transport service, or its retail FastAccess Internet access service. As discussed in I. above, staff believes the Commission was quite clear that its decision pertained solely to the provision of FastAccess Internet access service, not the interstate DLS transport offering.

Recommendation: Staff recommends that BellSouth's language should be adopted.

VI. BellSouth Section 2.10.2.6; FDN Section 2.10.2.4

BellSouth language:

If the end user receives FastAccess service, FDN shall forward to the SPOC end user contact information (i.e. telephone number or email address) in order for BellSouth to perform its obligations under this Section 2.10. FDN may include such contact information on the LSR. After receipt of contact information from FDN, BellSouth shall have three days to make the election as to which line FastAccess service will be provisioned on as set forth in 2.10.2.7 and to notify FDN of that election. If BellSouth contacts the end user during this process, BellSouth may do so only to validate the end user's current and future FastAccess services and facilities. During such contact, BellSouth will not engage in any winback or retention efforts, and BellSouth will refer the end user to FDN to answer any questions regarding the end user's FDN services.

FDN language:

If the end user receives xDSL service, FDN shall forward to the SPOC end user contact information (i.e. telephone number or email address) in order for BellSouth to perform its obligation under this Section 2.10. FDN may include such contact information on the LSR. After receipt of contact information from FDN, BellSouth shall have three days to make the election as to which line xDSL service will be provisioned on as set forth in 2.10.2.5 and to notify FDN of that election. If BellSouth contacts the end user during this process, BellSouth may do so only to validate the end user's current xDSL services and facilities. During such contact, BellSouth will not engage in any winback or retention efforts, and BellSouth will refer the end user to FDN to answer any questions regarding the end user's services.

BellSouth states that its addition of "and future" is intended to indicate that it is permitted to discuss with the end user how his FastAccess service would be provisioned prospectively, including

(e.g. if a new loop is to be used, how the rewiring would be performed); how it would be billed (e.g. if the customer currently has a multiservice discount, how the billing would change); and any other necessary information the customer would need in order to proceed with the transition to FDN voice services. (BellSouth Position, p. 10)

BellSouth argues that prohibiting it from discussing such matters with the end user could undermine the transition being a seamless one; moreover, failure by BellSouth to disclose such pertinent information could subject BellSouth to customer complaints. Similarly, BellSouth's insertion of the word "FDN" in the last sentence is designed to clarify that customer referrals to FDN should only pertain to FDN-provided services; BellSouth believes that inquiries about FastAccess, a BellSouth-provided service, should be handled by BellSouth, not FDN.

FDN contends that if BellSouth must contact FDN's voice customer, such contact should be restricted to ". . .discussing and validating *current* facilities and services." (FDN Motion, p. 10) Fundamentally, it appears FDN is concerned that during such customer contacts BellSouth will demean the FastAccess service that will be received by the customer due to his switching to FDN's voice service. FDN believes such contacts are a "license for mischief." (Ibid.)

Analysis: Staff is somewhat puzzled as to what FDN means by "current facilities and services," in that it has agreed to BellSouth's proposal to provision FastAccess for customers who migrate to FDN voice on a separate, stand-alone loop. It appears inevitable that a FastAccess customer will experience a change to his current service, because the line on which the FastAccess is to be provisioned will no longer also have voice capabilities. Contrary to FDN's view, staff believes that BellSouth would be negligent if it failed to inform the customer of any potential change in his service. However, we note that BellSouth's use of the phrase "and future" does not render the sentence in which it appears completely clear and unambiguous to us; nevertheless, we accept BellSouth's representation that customer contacts will be for the limited purposes described in its Position. Staff acknowledges FDN's concerns and trusts that BellSouth's customer contact when service is modified would be minimized and competitively neutral.

Recommendation: Staff recommends that BellSouth's language should be adopted.

VII. BellSouth Section 2.10.2.8; no comparable FDN language

BellSouth language:

If a second facility is not available for either the Standalone Service or the newly ordered UNE loop, then BellSouth shall be relieved from its obligation to continue to provide FastAccess service, provided that the number of locations where facilities are not available does not exceed 10% of total UNE orders with FastAccess.

BellSouth again argues that providing its FastAccess service on a standalone basis is the only way it can satisfy this

Commission's decision without violating various federal orders. It asserts that if it were to put BellSouth's high-speed Internet access service on a UNE loop,

BellSouth would be providing its tariffed DSL service for itself in way that is different from how it would be providing it for other ISPs. This would put BellSouth in violation of the FCC's orders in the Computer Inquiry III cases; in violation of the FCC's Open Network Architecture orders; and in violation of its own federally filed CEI plan. (BellSouth Position, p. 11)

Moreover, BellSouth contends that if it put FastAccess on FDN's UNE loops, other ISPs would argue that BellSouth was obligated to make its interstate DSL offering available to them on UNE loops, too. As a compromise, BellSouth offers that if it is unable to provision standalone FastAccess on more than 10% of UNE orders, it would ". . . have to figure out for itself some other way of meeting its obligation to continue to provide FastAccess." (Position, p.11)

FDN objects vehemently to BellSouth's proposal, stating that it is ". . . unsupportable and would eviscerate the Commission's Arbitration Order." (FDN Motion, p. 3) FDN states that the record in this proceeding provides no basis for BellSouth being excused even a single time from complying with this Commission's decision, let alone 10% of the time.

Analysis: Staff notes that BellSouth argued on reconsideration that to put its FastAccess service on a UNE loop would be a violation of its FCC tariff. In the Reconsideration Order, this Commission stated that it is not constrained by a FCC tariff and that under Section 251(d) it can impose additional requirements as long as they are not inconsistent with FCC rules, orders, or federal statutes. The Commission concluded that BellSouth had not shown that the FPSC's decision was in conflict with any controlling law and thus dismissed BellSouth's argument. (PSC-02-1453-FOF-TP, p.7)

The Commission's decision states that "BellSouth shall continue to provide its FastAccess Internet Service to end users who obtain voice service from FDN over UNE loops." (PSC-02-0765-FOF-TP, p. 11) Staff has found no basis in the Commission's orders or deliberations in this proceeding to carve out an exception,

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whether it be for a single customer or 10% of FDN's UNE orders. Accordingly, staff concludes that BellSouth must comply with this Commission's specific decision.

Recommendation: Staff recommends that Section 2.10.2.8 not be included in the parties' agreement.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. If the Commission approves staff's recommendations in Issue 1, this docket should remain open in order that the parties may file their final interconnection agreement. Staff recommends that the parties be required to file the final interconnection agreement within 30 days from the issuance date of the Order resolving the disputed contract language. (BANKS)

STAFF ANALYSIS: Should the Commission approve staff's recommendations in Issue 1, this docket should remain open in order that the parties may file a final interconnection agreement. Staff notes that even though the parties have filed their proposed interconnection agreement, the parties may need additional time to modify the language in their interconnection agreement. Staff recommends that the parties be required to file the final interconnection agreement within 30 days from the issuance date of the Order resolving the disputed contract language.