

One Atlantic Center 1201 West Peachtree Street Suite 3500 Atlanta, GA 30309

Telephone: (404) 872-7000 Fax: (404) 888-7490 Web site: www.wcsr.com

Loretta A. Cecil Direct Dial: (404) 888-7387 Direct Fax: (404) 870-4826 E-mail: lcecil@wcsr.com

April 4, 2003

VIA FEDERAL EXPRESS

Mrs. Blanca S. Bavo Director, Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

> Complaint of AT&T Communications of the Southern Re: States, LLC, Teleport Communications Group, Inc., and TCG South Florida For Enforcement of Interconnection Agreements with BellSouth Telecommunications, Inc.

Docket No. 020919-TP

Dear Mrs. Bayo:

Enclosed for filing with your office is an original and fifteen copies of the Pre-Hearing Statement on behalf of AT&T Communications of the Southern States, LLC, Teleport Communications Group, Inc., and TCG South Florida (collectively "AT&T").

Please stamp two (2) copies of AT&T's Pre-Hearing Statement in the usual manner and return to us via our courier.

If you have any questions, please do not hesitate to contact me at 404-888-7437.

> Sincerely yours, Loretta A. Cecil
>
> Loretta A. Cecil

Loretta A. Cecil

Enclosure(s)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Complaint Of AT&T Communications)

Of The Southern States, LLC, Teleport) Docket No. 020919-TP

Telecommunications Group, Inc., And TCG)

South Florida For Enforcement of) Filed: April 4, 2003

Interconnection Agreements With BellSouth)

Telecommunications, Inc.)

PRE-HEARING STATEMENT OF AT&T COMMUNICATIONS OF THE SOUTHERN STATES, LLC, TELEPORT COMMUNICATIONS GROUP, INC., AND TCG SOUTH FLORIDA

Pursuant to Florida Public Service Commission ("Commission") Order PSC-02-1652-PCO-TP dated November 26, 2002, AT&T of the Southern States, LLC, Teleport Telecommunications Group, Inc. and TCG South Florida (all collectively "AT&T") hereby submit the following Pre-Hearing Statement regarding the complaint filed by AT&T against BellSouth Telecommunications, Inc. ("BellSouth") in this proceeding.

A. AT&T WITNESSES:

Direct:

Jeffrey A. King – Issue A, Issue 1(a), Issue 1(b), Issue 2, Issue 3, Issue 4, Issue 5

Rebuttal:

Jeffrey A. King – Issue 2, Issue 3 Billy C. Peacock – Issue 2, Issue 3 Roberta Stevens – Issue 2, Issue 3

AT&T reserves the right to call additional witnesses to respond to Commission inquiries not addressed in AT&T's Direct and Rebuttal

Testimony, as well as any new issues that may be designated by the Pre-Hearing Officer at the Pre-Hearing Conference to be held on April 21, 2003.

B. AT&T TESTIMONY EXHIBITS

Direct:

J. A. King Direct Testimony Exhibit No. 1 – Provisions from First and Second Interconnection Agreements between AT&T and BellSouth.¹

Rebuttal:

- (1) J. A. King Rebuttal Testimony Exhibit No. 1 Sections 5.3.7 and 5.3.9 of Attachment 3 From Second Interconnection Agreement.
- (2) Billy C. Peacock Rebuttal Testimony Exhibit No. 1 AT&T Arbitration Issues List Attached to AT&T's Arbitration Petition Against BellSouth in Docket No. 000731-TP ("AT&T Arbitration Petition").
- (3) Billy C. Peacock Rebuttal Testimony Exhibit No. 2 Attachment 3 (including its Exhibit A) to AT&T's Arbitration Petition.
- (4) Billy C. Peacock Rebuttal Testimony Exhibit No. 3 Attachment B, Page 1, Issue 1, to AT&T's Arbitration Petition.
- (5) Billy C. Peacock Rebuttal Testimony Exhibit No. 4 Attachment B, Page 8, Issue 16, to AT&T's Arbitration Petition.
- (6) Billy C. Peacock Rebuttal Testimony Exhibit No. 5 Various Provisions From The Interconnection Agreement Currently In Effect Between AT&T and BellSouth For The State Of Mississippi.
- (7) Billy C. Peacock Rebuttal Testimony Exhibit No. 6 Exhibit Including Various Provisions From Interconnection Agreements Currently In Effect Between AT&T and BellSouth For The States Of Florida And Mississippi And Related Information.

¹ Further identification of First and Second Interconnection Agreements can be found in AT&T's Complaint and below in "C. Statement of Basic Position" of this Pre-Hearing Statement.

(8) Roberta Stevens Rebuttal Testimony Exhibit No. 1 – Meeting Notes of Roberta Stevens Summarizing Interconnection Negotiations Between AT&T and BellSouth For the Period February 21, 2001 Through December 13, 2001.

AT&T reserves the right to file additional exhibits in support of any testimony which AT&T subsequently files to respond to Commission inquiries not presently addressed in AT&T's Direct and Rebuttal Testimony, as well as any new issues which may designated by the Pre-Hearing Officer at the Pre-Hearing Conference to be held on April 21, 2003. AT&T also reserves the right to introduce exhibits for cross examination, impeachment, or for any other purposes authorized by the Commission's rules or the Florida Rules of Civil Procedure.

AT&T HEARING EXHIBITS:

- (1) Relevant provisions from First and Second Interconnection Agreements;
- (2) AT&T's current Interconnection Agreement with BellSouth for the State of Mississippi;
- (3) Any Exhibits attached to AT&T Direct and Rebuttal Testimony;
- (4) Any discovery responses received from BellSouth in this proceeding;
- (5) Any Exhibits identified in depositions taken in this proceeding;
- (6) Deposition Transcripts (and all deposition Exhibits) from North Carolina Docket No. P-55, Sub 1376;
- (7) Hearing Transcript (including all hearing Exhibits) from North Carolina Docket No. P-55; Sub 1376;
- (8) North Carolina Public Staff Proposed Order filed in North Carolina Docket No. P-55; Sub 1376 on April 4, 2003;

- (9) North Carolina Utilities Commission Orders in Docket No. P-55; Sub 1376;
- (10) Any switched access tariffs filed by BellSouth with any State Commission or the Federal Communications Commission ("FCC");
- (11) Any testimony, pleadings or summary of ex parte discussions filed by BellSouth with any State Commission or the FCC;
- (12) Matrixes or other summary documents of various "red-lined" versions of contract language exchanged between AT&T and BellSouth relative to interconnection negotiations in dispute.
- C. <u>STATEMENT OF BASIC POSITION</u>: BellSouth has breached its obligation to charge AT&T at the applicable reciprocal compensation rate for the transport and termination of "Local Traffic" as required by the unambiguous provisions of two interconnection agreements entered into by the Parties pursuant to Section 251 of the Telecommunications Act of 1996 ("Act")² and approved by the Commission under Section 252 of the Act ("First Interconnection Agreement;" Second Interconnection Agreement;" collectively the "Interconnection Agreements").

1. Description Of The Interconnection Agreements.

First Interconnection Agreement was executed by AT&T Communications of the Southern States, Inc. (the predecessor to AT&T Communications of the Southern States, LLC) and BellSouth following negotiations and an arbitration decided by this Commission in Docket No. 960833-TP. It was approved by this Commission by Order PSC-97-0724-

² Pub. L. No. 104-104, 110 Stat. 56, amending 47 U.S.C. Section 201, Communications Act of 1934.

FOF-TP on June 19, 1997; was effective beginning June 10, 1997 and by its own terms continued until Second Interconnection Agreement became Subsequently, on September 21, 1999, in Order No. PSC-99-1877-FOF-TP, the Commission approved TCG South Florida's adoption in entirety of First Interconnection Agreement. its Although First Interconnection Agreement was to expire three years from its effective date of June 10, 1997, the Retroactivity Provision included in Section 2.3 thereof continued the effectiveness of First Interconnection Agreement for some time thereafter. Specifically, Section 2.3 provided that in the event First Interconnection Agreement expired before BellSouth and AT&T had executed another "follow-on" or "second" interconnection agreement, or before this Commission had issued its arbitration order in any "follow-on" or "second" arbitration, that the terms subsequently agreed to by the Parties or so ordered by this Commission in any "follow-on" or "second" arbitration would be retroactive to the day following expiration of First Interconnection Agreement, or June 11, 2000, and that the First Interconnection Agreement would remain in effect until the "follow-on" or "second" interconnection agreement became effective. Thereafter, Second Interconnection Agreement was executed by AT&T and BellSouth following another period of negotiations and a subsequent arbitration decided by this Commission in Docket No 000731-TP. Second Interconnection Agreement was approved by this Commission on December 7, 2001, in Order No. PSC-01-2357-FOF-TP and again was effective for another three-year term, beginning October 26, 2001, as to both AT&T Communications of the Southern States, Inc. (predecessor to AT&T Communications of the Southern States, LLC) and TCG South Florida.

2. The Definitions Of "Local Traffic" And "Switched Access Traffic" Are Specifically "Interrelated" In Second Interconnection Agreement And Thus Make Clear That The Parties Intended To Include "Traditional" IntraLATA Toll Traffic as "Local Traffic" For Reciprocal Compensation Purposes.

With respect to BellSouth's obligation to charge AT&T reciprocal compensation rates for the transport and termination of "Local Traffic," Section 5.3.1 of Attachment 3 of Second Interconnection Agreement provides that:

"... the Parties agree to apply a "LATAwide" local concept to this Attachment 3, meaning that traffic that has traditionally been treated as intraLATA toll traffic will now be treated as local for intercarrier compensation purposes, except those calls that are originated or terminated through switched access arrangements as established by the State Commission or FCC."

With respect to the language "except those calls that are originated or terminated through switched access arrangements as established by the State Commission or FCC," the Parties qualified the same by agreeing to a definition of "Switched Access Traffic" in Section 5.3.3 of Attachment 3 that specifically "interrelated" the definition of "Switched Access Traffic" with what constituted "Local Traffic" as used in Section 5.3.1. of the same Attachment 3. In particular, Section 5.3.3 provides that "Switched Access Traffic" is defined as:

"... telephone calls requiring local transmission or switching services for the purpose of the origination or termination of Intrastate InterLATA and Interstate InterLATA traffic..."

Thus, the Parties expressly limited "Switched Access Traffic" under Second Interconnection Agreement to interLATA traffic and excluded all intraLATA traffic. Accordingly, the Parties specifically agreed that the definition of "Switched Access Traffic" clearly qualifies the language "calls that are originated or terminated through switched access arrangements as established by the State Commission or FCC" by virtue of the language found in Section 5.3.3 which states "This Section 5.3.3 [which contains the definition of "Switched Access Traffic"] is interrelated to Section 5.3.1.1 [which describes "Local Traffic"]."

As a result, when the "four corners of the contract" are "read together" as is required under applicable Georgia law,3 the Parties agreed that all

In Section 24.6.1 of the General Terms and Conditions of Second Interconnection Agreement, the Parties agreed that, "the validity of this Agreement, the construction and enforcement of its terms, and the interpretation of the rights and duties of the Parties shall be governed by the laws of the State of Georgia . . . except insofar as federal law may control any aspect of this Agreement, in which case federal law shall govern such aspect." With respect to the Commission's obligation to consider the "four corners of the contract," See, Stephens v. Parrino and Ware, 138 Ga. App. 634, 226 S.E. 2d 808 (1976); First Capital Life Insurance Co. v. AAA Communications, Inc., 906 F. Supp. 1546 (1995).

"LATAwide Traffic" which traditionally had been treated as intraLATA toll traffic would be compensated as "Local Traffic" at reciprocal compensation rates, except for such "LATAwide" traffic which a State Commission or FCC determined to be interLATA traffic.4

3. Should the Commission Find It Necessary To Consider "Extrinsic" Or Parol Testimony, AT&T's "Extrinsic" Or Parol Testimony Overwhelmingly Establishes That The Parties Intended That "Local Traffic" Would Include "Traditional" IntraLATA Toll Traffic For Purposes of Reciprocal Compensation.

The provisions of Second Interconnection Agreement regarding what constitutes "Local Traffic" and "Switched Access Traffic" are unambiguous. However, in the event the Commission considers "extrinsic" or parol evidence in order to determine the intent of the Parties upon a finding of ambiguity regarding these provisions, AT&T's "extrinsic" or parol testimony provides overwhelming evidence that the language "except those calls that are originated or terminated through switched access arrangements as established by the State Commission or FCC," was agreed to by the Parties to "protect" BellSouth in the event a State Commission or the FCC subsequently determined that certain traffic which stayed within a LATA nevertheless constituted interLATA traffic. This rationale tracks perfectly

⁴ As but one example of how any "LATAwide" traffic ever could be considered interLATA traffic, as this Commission is well aware BellSouth historically has taken the position that calls to internet service providers—even if such calls are originated and terminated within a LATA—is interstate traffic. <u>See</u>, Direct Testimony of Elizabeth R. A. Shiroishi on behalf of BellSouth Telecommunications, Inc. at Page 2, filed on December 1, 2000, in Docket No. 000075-TP; Florida Public Service Commission.

the definition of "Switched Access Traffic" as found in Section 5.3.3 which is limited to interLATA traffic. The specific examples of such traffic discussed by the Parties prior to executing Second Interconnection Agreement (for which BellSouth sought "protection") were calls to internet service providers and voice over internet protocol. Thus the "except for" exclusion language in Section 5.3.1 discussed above was not agreed to by the Parties to govern "traditional" intraLATA toll traffic originated or terminated over "switched access arrangements." Rather, Section 5.3.1 specifically states that for such "traditional" intraLATA toll traffic, the Parties agreed to ". . . apply a LATAwide local concept . . ." meaning that all traditional inraLATA traffic would be compensated as reciprocal compensation.

4. The Trunking Provisions of Second Interconnection Agreement Do Not Govern What Constitutes "Local Traffic."

With respect to whether the trunking provisions of Second Interconnection Agreement govern what constitutes "Local Traffic," there is no language in the contract which in any way states or implies that trunking arrangements govern what constitutes "Local Traffic." Again, to the extent the Commission deems it necessary to consider "extrinsic" or parol evidence to resolve any ambiguity regarding the same, AT&T's "extrinsic" or parol provides overwhelming evidence that trunking arrangements have no bearing on what constitutes "Local Traffic" under Second Interconnection Agreement.

5. BellSouth Owes AT&T Refunds For Overcharging For The Transport and Termination of "Local Traffic" As Well As Late Payment Charges.

Because BellSouth has breached the Interconnection Agreements by failing to charge AT&T reciprocal compensation rates for transporting and terminating "Local Traffic" (including all "LATAwide Traffic") from July 1, 2001 to date, AT&T is entitled to a refund from BellSouth in the amount of such overcharges, as well as late payments from BellSouth at the rate of one and one half percent (1 and 1/2 %) per month times such overcharged amounts beginning July 1, 2001 in accordance with Section 1.16.1 of Attachment 6 to Second Interconnection Agreement.

D. STATEMENT OF ISSUES AND POSITIONS:

Issue A: What is the Commission's jurisdiction in this matter?

AT&T Witness: Jeffrey A. King

AT&T Position: The Commission has jurisdiction to enforce the terms of the Interconnection Agreements pursuant to Section 252 of the Act and Section 364.01, Florida Statutes. Moreover, Section 16 of Second Interconnection Agreement, which applies to First Interconnection Agreement by virtue of the Retroactivity Provision, allows AT&T to petition this Commission for a resolution of any disputes that arise as to interpretation of the Interconnection Agreements.

Issue 1: (a) Do the terms of the Second Interconnection
Agreement as defined in AT&T's complaint apply
retroactively from the expiration date of the First
Interconnection Agreement as defined in AT&T's
Complaint, June 11, 2000, forward?

AT&T Witness: Jeffrey A. King

AT&T Position: Yes. At the Commission's April 1, 2003 Agenda Conference, the Commission granted BellSouth's Motion for Partial Summary Final Order on Issue 1(a) and AT&T's Cross Motion for Partial Summary Final Order on Issue 1(a) finding that the terms, conditions, and prices of the Second Interconnection Agreement apply between BellSouth and AT&T from June 11, 2000, forward, except for the reciprocal compensation rates.

Issue 1: (b) If the answer to Issue 1(a) is "yes," is AT&T entitled to apply the reciprocal compensation rates and terms of the Second Interconnection Agreement only from July 1, 2001, forward?

AT&T Witness: Jeffrey A. King

AT&T Position: Yes. Although the terms of Second Interconnection Agreement apply "retroactively" to First Interconnection Agreement as of June 11, 2000, AT&T and BellSouth agreed in Second Interconnection Agreement that the reciprocal compensation rates would apply to all "Local Traffic," including all "LATAwide Traffic" beginning only July 1, 2001.

Issue 2: Does the term "Local Traffic" as used in the Second Interconnection Agreement identified in AT&T's complaint include all "LATAwide" calls, including all calls originated or terminated through switched access arrangements as established by the state commission or FCC?

AT&T Witnesses: Jeffrey A. King, Billy C. Peacock

AT&T Position: Section 5.3.1 of Attachment 3 to Second Interconnection Agreement provides that with respect to intercarrier compensation relative

to transporting and terminating "Local Traffic," the Parties agreed:

" ...to a apply a "LATAwide" local concept, meaning that traffic that has traditionally been treated as intraLATA toll would now be treated as local for intercarrier compensation, except for those calls that are originated or terminated through switched access arrangements as established by the State Commission or FCC."

With respect to "switched access arrangements" referred to in Section 5.3.1, Section 5.3.3 of Attachment 3 to Second Interconnection Agreement provides the only definition of "Switched Access Traffic" found anywhere in Second Interconnection Agreement to which, by definition, switched access charges may apply. As provided in this Section, "Switched Access Traffic" is defined as:

"... telephone calls requiring local transmission or switching services for the purpose of the origination or termination of Intrastate InterLATA and Interstate InterLATA traffic."

Consistent with the "LATAwide" concept for "Local Traffic" as set forth in Section 5.3.1, the definition of "Switched Access Traffic" set forth in Section 5.3.3 does not include any traditional "LATAwide Traffic." Moreover, with respect to the definition of "Switched Access Traffic" as set forth in Section 5.3.3, interLATA traffic this is the only type of traffic for which switched access charges apply under Second Interconnection Agreement. All other traffic is to be treated as "Local Traffic" and compensated at local reciprocal compensation rates. The Parties also agreed in Section 5.3.3 that "[t]his Section [5.3.3] is interrelated to Section 5.3.1." As discussed above, Section

5.3.1 provided that

"... the Parties agree to apply a 'LATAwide' local concept to this Attachment 3, meaning that traffic that has traditionally been treated as intraLATA toll traffic will now be treated as local for intercarrier compensation purposes, except for those calls that are originated or terminated through switched access arrangements as established by the State Commission or FCC."

Thus, when Section 5.3.1. is read together with its "interrelated" Section 5.3.3, the language " ... except those calls that are originated or terminated through switched access arrangements as established by the State Commission or FCC," clearly means Intrastate InterLATA calls (because these calls are subject to jurisdiction of the "State Commission") and Interstate InterLATA calls (because these calls are subject to the jurisdiction of the "FCC"). This interpretation is correct and appropriate because Section 5.3.3 contains the only definition of "Switched Access Traffic" found in Second Interconnection Agreement to which, by definition, switched access charges may apply.

Issue 3: Under the terms of the Second Interconnection Agreement, do reciprocal compensation rates and terms apply to calls originated or terminated through switched access arrangements as established by the state commission or FCC?

AT&T Witnesses: Jeffrey A. King, Billy C. Peacock

AT&T Position: Yes, for traditional "LATAwide" calls. As explained in Issue 2 above, with respect to intercarrier compensation relative to transporting and terminating "Local Traffic," in Section 5.3.1 the Parties agreed "...to a

apply a "LATAwide" local concept, meaning that traffic that has traditionally been treated as intraLATA toll would now be treated as local for intercarrier compensation, except for those calls that are originated or terminated through switched access arrangements as established by the State Commission or FCC." When Section 5.3.1 is read together with its "interrelated" Section 5.3.3, the language " ... except those calls that are originated or terminated through switched access arrangements as established by the State Commission or FCC," clearly means Intrastate InterLATA calls (because these calls are subject to jurisdiction of the "State Commission") and Interstate InterLATA calls (because these calls are subject to the jurisdiction of the "FCC"). This interpretation is correct and appropriate because Section 5.3.3 contains the only definition of "Switched Access Traffic" found in Second Interconnection Agreement to which, by definition, switched access charges may apply. As provided in this Section, "Switched Access Traffic" is defined as " ... telephone calls requiring local transmission or switching services for the purpose of the origination or termination of Intrastate InterLATA and Interstate InterLATA traffic." Thus, by virtue of the "interrelatedness" of the definition of "Switched Access Traffic" as found in this Section 5.3.3 to the "LATAwide" local concept language found in Section 5.3.1, the language in Section 5.3.1 " ... except those calls that are originated or terminated through switched access arrangements as established by the State Commission or FCC," clearly means Intrastate InterLATA calls (because these calls are subject to jurisdiction of the "State Commission") and Interstate InterLATA calls (because these calls are subject to the jurisdiction of the "FCC"). BellSouth completely ignores Section 5.33 and its limiting definition of "Switched Access Traffic" in construing Section 5.3.1 regarding what constitutes "Local Traffic."

Issue 4: If the answer to Issue 3 is "yes," has BellSouth breached the Second Interconnection Agreement?

AT&T Witnesses: Jeffrey A. King

AT&T Position: Yes. Second Interconnection Agreement (the terms of which apply to First Interconnection Agreement as of June 11, 2000 by virtue of the Retroactivity Provision of First Interconnection Agreement) clearly provides that BellSouth and AT&T are to transport and terminate "Local Traffic" at the local reciprocal compensation rates set forth in Second Interconnection Agreement. With respect to what constituted "Local Traffic," Second Interconnection Agreement clearly provides that the parties agreed to apply a "LATAwide" concept thereto, meaning that all calls which "traditionally" had been transported and terminated within a "LATA" ("LATAwide Traffic"), would be subject to the local reciprocal compensation rates set forth in Second Interconnection Agreement. The only exception were "non-traditional" calls "within a LATA" that were originated or terminated over switched access arrangements as established by the State Commission or the FCC. In breach of this obligation, BellSouth has refused to apply the applicable reciprocal compensation rate to all "Local Traffic,"

including all traditional "LATAwide Traffic," and instead has applied BellSouth's switched access rate to certain of this traffic.

Issue 5: If the answer to Issue 4 is "Yes," what remedies are appropriate?

AT&T Witnesses: Jeffrey A. King

AT&T Position: AT&T is entitled to receive, and BellSouth is obligated to provide, a credit (including late payments thereon) for amounts which BellSouth has overcharged AT&T for failing to transport and terminate all "Local Traffic," including all "traditional" calls made within a LATA at the applicable reciprocal compensation rate. Credits and late payments for improper billings clearly are allowed under Second Interconnection Agreement. Through October 2002, BellSouth has overcharged AT&T \$6,310,425 for transporting and terminating certain "Local Traffic" in Florida, including certain "LATAwide Traffic" at a switched access rate, and not at the applicable reciprocal compensation rate as required in Second Because BellSouth has continued to Interconnection Agreement. overcharge AT&T for transporting and terminating all "Local Traffic" since October 2002, AT&T also is entitled to a credit for any such overcharges and BellSouth owes AT&T interest on all overcharged amounts at the rate of one and one half percent (1 and ½%) per month from July 1, 2001 until the date such overcharges are paid by BellSouth to AT&T. Finally, AT&T is entitled to a declaratory ruling from the Commission that BellSouth is obligated to charge AT&T at the applicable reciprocal compensation rate for the transport and termination of all "Local Traffic" on a going forward basis.

E. QUESTION OF LAW(S) AT ISSUE:

AT&T Position: Pursuant to Section 24.6.1 of the General Terms and Conditions of Second Interconnection Agreement, the Commission is obligated obligation to follow Georgia law regarding the interpretation of Second Interconnection Agreement.

F. POLICY QUESTIONS AT ISSUE:

AT&T Position: Because BellSouth has filed Direct and Rebuttal Testimony which contains "extrinsic" or parol testimony in violation of the "entire agreement" or integration provision of Section 22.10 of the General Terms and Conditions of Second Interconnection Agreement, the Commission must decide when such "extrinsic" or parol evidence may be properly considered by the Commission in resolving interconnection agreement disputes between parties.

G. STIPULATED ISSUES:

AT&T Position: Issue 1(a) was decided and approved by the Commission at the April 1, 2003 Agenda Conference. However, a written Order has not been issued to date which granted BellSouth's Motion for Partial Summary Final Order and AT&T's Cross Motion for Partial Summary Final Order. Relative to Issue (1)(b), AT&T and BellSouth have stipulated that AT&T is entitled to apply the applicable reciprocal compensation rate to "Local Traffic" as of July 1, 2001 forward.

H. PENDING MOTIONS:

AT&T Position: On March 21, 2003, AT&T filed with the Commission AT&T's Second Motion to Strike Additional BellSouth Extrinsic Testimony. This AT&T Motion remains pending with the Commission.

I. CLAIMS OR REQUESTS FOR CONFIDENTIALITY:

AT&T Position: AT&T currently does not have any claims or requests for confidentiality in this proceeding. AT&T reserves the right for to make claims or requests for confidentiality pending on-going discovery in this proceeding.

J. REQUIREMENTS SET FORTH IN THIS ORDER THAT CANNOT BE COMPLIED WITH:

AT&T Position: AT&T will comply with the requirements set forth in Order PSC-02-1652-PCO-TP.

K. ANY DECISIONS OR PENDING DECISION OF THE FCC OR ANY COURT THAT HAS OR MAY PREEMPT OR OTHERWISE IMPACT THE COMMISSION'S ABILITY TO RESOLVE ANY OF THE ISSUES PRESENTED OR THE RELIEF REQUESTED IN THIS MATTER:

AT&T Position: AT&T is unaware of any decision or pending decision of the FCC or any other court that has or may preempt the Commission's ability to resolve any of the issues presented for the relief requested in this proceeding.

L. <u>OBJECTIONS TO WITNESS QUALIFICATION AS AN EXPERT:</u>

AT&T Position: AT&T has no objections to the qualifications of the witnesses in this proceeding.

Respectfully submitted this the 4th day of April, 2003.

Loretta a. Cecil / SER

Loretta A. Cecil, Esq.
Florida Bar No. 358983
Womble Carlyle Sandridge & Rice PLLC
1201 West Peachtree Street
Suite 3500
Atlanta, GA 30309
(404) 888-7437 (telephone)
(404) 870-4826 (facsimile)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of AT&T's Pre-Hearing Statement on behalf of AT&T of the Southern States, LLC, Teleport Telecommunications Group, Inc. and TCG South Florida (all collectively "AT&T") was furnished by U. S. Mail this 4th day of April 2003 to the following:

BellSouth Telecommunications, Inc.
Nancy B. White/James Meza III/Andrew Shore
c/o Ms. Nancy H. Sims
150 South Monroe Street, Suite 400
Tallahassee, FL 32301-1556

Phone: (850) 224-7798 Fax: (850) 222-8640

Email: nancy.sims@bellsouth.com/andrew.shore@bellsouth.com

Florida Cable Telecommunications Assoc., Inc.

Michael A. Gross 246 E. 6th Avenue, Suite 100 Tallahassee, FL 32303

Phone: 850-681-1990 Fax: (850) 681-9676 Email: mgross@fcta.com

Patricia Christensen, Esq. Division of Legal Services Room 370 Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 Fax: (850) 413-6221

Email: pchriste@psc.state.fl.us

David Eppsteiner, Esq.
AT&T Communications of the Southern States LLC
Suite 8100
1200 Peachtree Street, NE
Atlanta, GA 30309

Loretta A. Cecil, Esq.

Loretta a. Cecil /SER