

Meredith E. Mays
Regulatory Counsel

BellSouth Telecommunications, Inc.
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April 15, 2003

Ms. Blanca S. Bayó
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

**Re: Docket No.: 030103-TP
Complaint of MCImetro Access Transmission Services LLC
and MCI WORLDCOM Communications, Inc. Against BellSouth
for Overcharging for High-Capacity Circuits**

Dear Ms. Bayó:

Enclosed please find an original and fifteen copies of the Answer of BellSouth Telecommunications, Inc. in the above-listed docket. Due to ongoing litigation between the parties in other forums, a brief explanation follows.

BellSouth previously filed in this docket a Motion for Extension of Time to file this Answer in connection with ongoing proceedings in the bankruptcy proceeding, *In re WorldCom, Inc. et al., Debtors*. BellSouth's motion sought relief from the automatic stay to ensure that BellSouth did not lose its rights to a setoff, and sought the ability to file certain counterclaims or setoff claims in this docket. BellSouth has resolved this issue by stipulation with WorldCom, Inc. and its affiliates, which includes MCImetro Access Transmission Services LLC and MCI WorldCom Communications, Inc. (hereinafter collectively referred to as "MCI"). The Honorable Arthur J. Gonzalez approved this stipulation on April 1, 2003. *In re WorldCom, Inc. et al., Debtors*, Stipulation and Order Resolving BellSouth Telecommunication's Motion for Relief from the Automatic Stay and Other Relief ("Bankruptcy Order"), Chapter 11 Case No. 02-13533 (AJG), April 1, 2003. Thus, this answer is timely filed within two weeks of the Bankruptcy Order, consistent with this Commission's ruling.

BellSouth will not be filing counterclaims or claims for setoff in this docket. Instead, BellSouth's rights to a setoff, and the forum in which such rights will be decided, will be determined at a later date. Also, MCI has agreed not to execute or collect on any portion of any judgment or award entered in its favor in this docket for any pre-bankruptcy petition amounts, if any, owed to it by BellSouth.

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Finally, as part of the Bankruptcy Order, MCI and BellSouth have agreed to participate in a settlement conference. This settlement conference has been tentatively scheduled for the last week of April. BellSouth anticipates that the claims raised by MCI in this docket will be discussed during that conference.

Please let me know if you have any questions about this matter.

Sincerely,


Meredith E. Mays (RA)

Enclosure

cc: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

487569

CERTIFICATE OF SERVICE
Docket No. 030103-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via

U.S. Mail this 15th day of April, 2003 to the following:

Linda Dodson
Brent Taylor
Staff Counsel
Florida Public Service
Commission
Division of Legal Services
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

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Atty. for MCI WorldCom

Dulaney L. O'Roark III
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Boulevard Suite 201
Tallahassee, FL 32301
Tel. No. (850) 219-1008


Meredith E. Mays (KM)

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In the Matter of:)	
)	
Complaint of MCImetro Access Transmission Services, LLC and MCI WorldCom Communications, Inc. Against BellSouth for Overcharging for High-Capacity Circuits)	Docket No. 030103-TP
)	Filed: April 15, 2003
)	
_____)	

**ANSWER OF
BELLSOUTH TELECOMMUNICATIONS, INC.**

BellSouth Telecommunications, Inc. (“BellSouth”) respectfully responds to the Complaint filed by MCImetro Access Transmission Services, LLC and MCI WorldCom Communications, Inc. (collectively “MCI”). MCI’s claim that the charges imposed by BellSouth for services and facilities ordered by MCI constitutes a breach of the parties’ interconnection agreements is erroneous. BellSouth has charged MCI appropriate rates and accordingly, the Commission should deny the relief that MCI seeks.

BellSouth responds to the specific allegations in the Complaint as follows:

1. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in the first sentence of Paragraph 1 of the Complaint; BellSouth admits the remaining allegations in Paragraph 1.
2. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in the first sentence of Paragraph 2 of the Complaint; BellSouth admits the remaining allegations in Paragraph 2.
3. BellSouth admits the allegations contained in Paragraph 3 of the Complaint.

4. The allegations in Paragraph 4 do not require a response. BellSouth requests that all notices, pleadings and other communications regarding this Docket be served upon the following BellSouth representatives:

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5. BellSouth admits that the Commission has jurisdiction under the constitutional and statutory provisions referenced in Paragraph 5 of the Complaint and that the Commission has jurisdiction to interpret and enforce interconnection agreements. BellSouth also admits that the Commission has jurisdiction under the orders and agreements referenced in Paragraph 5 of the Complaint, but denies that MCI has stated a claim under these orders and agreements upon which relief can be granted by the Commission.
6. BellSouth admits the allegations contained in the first sentence of Paragraph 6 of the Complaint. BellSouth admits that the 1997 Agreement had a term of three years; however, BellSouth denies the allegations contained in the second sentence of Paragraph 6 of the Complaint and affirmatively states that subsequent interconnection agreements between the parties became retroactive to the expiration of the 1997 Agreement.

7. BellSouth admits the allegations contained in Paragraph 7 of the Complaint.
8. BellSouth admits that MCImetro and Brooks Fiber executed follow-on interconnection agreements; BellSouth affirmatively states that such agreements became retroactive and effective as of June 19, 2000. BellSouth admits the allegations contained in the third sentence of Paragraph 8 of the Complaint. BellSouth denies the remaining allegations in Paragraph 8 and affirmatively asserts that the parties' interconnection agreements speak for themselves.
9. The provision in the interconnection agreement referenced in Paragraph 9 of the Complaint speaks for itself, and no further response from BellSouth is required. BellSouth admits that on or about April 12, 2002, MCI sent a notice of discrepancy, the terms of which speak for themselves.
10. The provision in the interconnection agreement referenced in Paragraph 10 of the Complaint speaks for itself, and no further response from BellSouth is required. BellSouth admits the remaining allegations contained in Paragraph 10.
11. The provision in the interconnection agreement referenced in Paragraph 11 of the Complaint speaks for itself, and no further response from BellSouth is required. BellSouth admits the remaining allegations contained in Paragraph 11.
12. BellSouth admits that the parties met on June 14, 2002 to discuss the issues raised in the Complaint. BellSouth denies the remaining allegations contained in Paragraph 12 of the Complaint.
13. The provision in the interconnection agreement referenced in Paragraph 13 of the Complaint speaks for itself, and no further response from BellSouth is required. BellSouth states that MCI purported to escalate this dispute to the third level of

management and that this dispute was not resolved. BellSouth affirmatively states that on or about July 26, 2002 BellSouth provided MCI with its third level management contact; however MCI never contacted BellSouth's management contact nor did MCI schedule a meeting or otherwise respond to BellSouth until the time that this complaint was filed. Any remaining allegations in Paragraph 13 of this Complaint are denied.

14. The provision in the interconnection agreement referenced in Paragraph 14 of the Complaint speaks for itself and no further response from BellSouth is required. BellSouth denies the remaining allegations in Paragraph 14. BellSouth affirmatively states that it is willing to discuss with MCI the matters raised in the Complaint.
15. BellSouth incorporates its responses to Paragraphs 1 through 14 of the Complaint as if fully set forth herein.
16. The Agreements referenced in Paragraph 16 of the Complaint speak for themselves and no further response from BellSouth is required.
17. BellSouth admits that DS1 interconnection trunks connect MCI switches to BellSouth central offices for the purpose of exchanging traffic between the parties, and that DS1 interconnection trunks are capable of carrying twenty-four voice grade circuits at one time. BellSouth further admits that MCI has been entitled to obtain DS1 interconnections trunks under the MFS, 1997 and 2001 Agreements. BellSouth denies the remaining allegations in Paragraph 17 of the Complaint. BellSouth affirmatively asserts that it has properly billed MCI switched access rates for DS1 interconnection trunks ordered by MCI because

MCI has never furnished BellSouth with any information, such as a Percent Local Facility (“PLF”) factor, by which BellSouth could reasonably determine the volume of local traffic, if any, carried over such trunks.

18. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 18 of the Complaint as drafted because the extent to which carriers are entitled to originating or terminating local exchange access charges depends upon the serving arrangement involved.
19. The provisions of the interconnection agreements referenced in Paragraph 19 of the Complaint speak for themselves and require no further response from BellSouth. BellSouth denies the remaining allegations contained in Paragraph 19 of the Complaint. BellSouth affirmatively asserts that because the parties’ interconnection agreements permits interconnection trunks to carry local, intraLATA, and interLATA traffic, MCI is required to provide BellSouth with sufficient information, such as a Percent Local Facility (“PLF”) factor, so that the appropriate billing rates can be applied, which MCI has failed to do.
20. BellSouth affirmatively asserts that because the parties’ interconnection agreements permits interconnection trunks to carry local, intraLATA, and interLATA traffic, MCI is required to provide BellSouth with sufficient information, such as a Percent Local Facility (“PLF”) factor, so that the appropriate billing rates can be applied, which MCI has failed to do. BellSouth also states that MCI has provided BellSouth with information indicating the DS1 interconnection facilities carries interstate traffic, to which access rates apply. BellSouth denies the remaining allegations in Paragraph 20 of the Complaint.

21. BellSouth denies that it has breached the interconnection agreements and denies that MCI has been required to pay substantially higher prices for DS1 interconnection trunks than MCI is obligated to pay. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 21 of the Complaint.
22. BellSouth denies that MCI overpaid for DS1 interconnection trunks and therefore denies that BellSouth should be ordered to refund any amount to MCI. BellSouth affirmatively states that it is and has been willing to cooperatively address this matter with MCI. BellSouth denies the remaining allegations contained in Paragraph 22 of the Complaint.
23. BellSouth incorporates its responses to Paragraphs 1-22 of the Complaint as if fully set forth herein.
24. The provisions of the interconnection agreements referenced in Paragraph 24 of the Complaint speak for themselves and require no further response from BellSouth. BellSouth admits the remaining allegations contained in Paragraph 24 of the Complaint.
25. BellSouth is without knowledge or information sufficient to form a belief as to truth of the allegations in the first sentence of Paragraph 25 of the Complaint. BellSouth denies the remaining allegations in Paragraph 25. BellSouth affirmatively asserts that it has billed MCI at the proper rates for the special access services MCI has ordered.
26. BellSouth denies that it has breached the interconnection agreements and denies that MCI has been required to pay substantially higher prices for DS3 transport

facilities than MCI is obligated to pay. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 26 of the Complaint.

27. BellSouth denies that MCI overpaid for DS3 transport facilities and therefore denies that BellSouth should be ordered to refund any amount to MCI. BellSouth denies the remaining allegations contained in Paragraph 27 of the Complaint.
28. BellSouth incorporates its responses to Paragraphs 1-27 as if fully set forth herein.
29. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 29 of the Complaint.
30. The Commission's ruling in Docket No. 981121-TP referenced in Paragraph 30, speaks for itself and does not require further response from BellSouth. The Order referenced in Paragraph 30 speaks for itself and does not require further response from BellSouth.
31. BellSouth admits that MCI has ordered DS1 combinations via an Access Service Request ("ASR") and continues to do so today, even though BellSouth has established an electronic ordering process for DS1 combinations via a Local Service Request ("LSR"). BellSouth also admits that MCI has properly been billed special access rates. BellSouth denies the remaining allegations in Paragraph 31 of the Complaint.
32. BellSouth admits that MCI has been billed special access rates for special access services ordered by MCI. BellSouth denies that it has breached the interconnection agreements, denies that it breached any Commission orders, and

denies that MCI has been required to pay substantially higher prices for DS1 combinations than MCI is obligated to pay. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 32 of the Complaint.

33. BellSouth denies that MCI overpaid for DS1 combinations and therefore denies that BellSouth should be ordered to refund any amount to MCI. BellSouth denies the remaining allegations contained in Paragraph 33 of the Complaint.

34. Any allegations not expressly admitted are hereby denied.

35. BellSouth asserts the following affirmative defenses:

FIRST AFFIRMATIVE DEFENSE

36. The current Interconnection Agreement between BellSouth and MCI contains a dispute resolution procedure, with which MCI has failed to comply. Thus, MCI's claims are barred for MCI's failure to exhaust its administrative remedies.

SECOND AFFIRMATIVE DEFENSE

37. BellSouth provided various discounts associated with the special access services purchased by MCI to which MCI would not be entitled if the Commission grants the relief requested by MCI. BellSouth is entitled to set off the entire sum of these discounts against any award MCI may receive.

WHEREFORE, BellSouth prays that, after due proceedings, there be judgment herein in its favor and against MCI as follows:

- (1) Denying the relief requested by MCI in the Complaint; and
- (2) For all other relief deemed appropriate under the law.

Respectfully submitted, this 15th day of April, 2003.

BELLSOUTH TELECOMMUNICATIONS, INC.

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