

Harris R. Anthony  
Vice President and General Counsel

BellSouth Long Distance, Inc.  
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(770) 352-3116

December 2, 2003

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

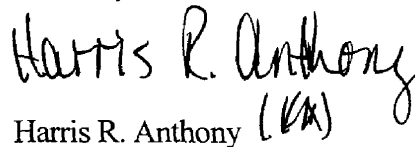
**Re: Docket No. 031046-TP: Petition and Complaint of AT&T Communications  
of the Southern States, LLC against BellSouth Telecommunications, Inc.  
and BellSouth Long Distance, Inc. for alleged anticompetitive pricing  
of long distance service**

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Long Distance, Inc.'s Answer, which we ask that you file in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

  
Harris R. Anthony (HRA)

cc: All Parties of Record

DOCUMENT NUMBER-DATE

12261 DEC-28

FPSC-COMMISSION CLERK

**CERTIFICATE OF SERVICE  
Docket No. 031046-TP**

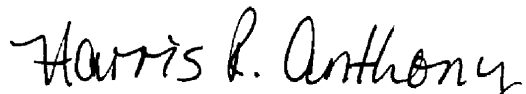
I HEREBY CERTIFY that a true and correct copy of the foregoing was served via  
Electronic Mail and U. S. Mail this 2<sup>nd</sup> day of December 2003 to the following:

Patricia Christensen, Staff Counsel  
Jason Rojas, Staff Counsel  
Florida Public Service Commission  
Division of Legal Services  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Nancy H. Sims  
BellSouth Telecommunications, Inc.  
150 South Monroe Street  
Suite 400  
Tallahassee, FL 32301

Tracy W. Hatch  
AT&T Communications  
101 North Monroe Street  
Suite 700  
Tallahassee, FL 32301

Lisa A. Sapper  
AT&T Communications of the  
Southern States, LLC  
1200 Peachtree Street, N.E.  
Suite 8100  
Atlanta, GA 30309-3579

  
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770-352-3116  
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition and Complaint of AT&T )  
Communications of the Southern States, LLC ) Docket No. 031046-TP  
against BellSouth Telecommunications, Inc. )  
and BellSouth Long Distance, Inc. for alleged )  
Anticompetitive Pricing of Long Distance ) Filed: December 2, 2003  
Service )

**ANSWER OF BELLSOUTH LONG DISTANCE, INC.**

Pursuant to Rule 28-106.203, Florida Administrative Code, BellSouth Long Distance, Inc. ("BellSouth Long Distance") respectfully responds to the Petition and Complaint filed by AT&T Communications of the Southern States, LLC ("AT&T").

The claim by AT&T that BellSouth Long Distance is acting in an anticompetitive manner by offering a one-cent per minute promotion for three months to its Florida residential customers is without support, either in law or in fact. The one-cent promotion plan, contrary to AT&T's baseless assertions, is consistent with Florida law, as BellSouth Long Distance's revenues from its customers who participate in this promotion will, during the time that those customers remain customers of BellSouth Long Distance, more than cover BellSouth Long Distance's costs, including access charges, of providing service to those customers. Accordingly, the Florida Public Service Commission (the "Commission") should deny the relief sought by AT&T and dismiss the Petition and Complaint.

BellSouth Long Distance responds to the specific allegations in the Petition and Complaint as follows:

1. With respect to the introductory paragraph of AT&T's Petition and Complaint, BellSouth Long Distance admits that AT&T has filed a complaint against, *inter alia*, BellSouth

Long Distance seeking an immediate suspension and cancellation of BellSouth Long Distance's one-cent promotion and that the Petition and Complaint is purportedly filed pursuant to Sections 364.01(4)(g), and 364.051(5)(c), Florida Statutes and Rules 25-22.036(2) and 28-106.201 of the Florida Administrative Code, but denies that the Petition and Complaint set forth any facts showing that BellSouth Long Distance has violated Florida law or has otherwise engaged in any anticompetitive or improper manner. BellSouth Long Distance denies the remaining allegations of the introductory paragraph of the Petition and Complaint.

2. BellSouth Long Distance is without knowledge or information sufficient to form a belief as to the truth of the allegation contained in Paragraph One of the Petition and Complaint and BellSouth Long Distance, therefore, denies those allegations.

3. BellSouth Long Distance admits the allegations in Paragraph Two of AT&T's Petition and Complaint.

4. BellSouth Long Distance admits the allegations contained in Paragraph Three of AT&T's Petition and Complaint.

5. BellSouth Long Distance is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in the first three sentences of Paragraph Four of AT&T's Petition and Complaint and, therefore, denies same. BellSouth Long Distance denies the allegations contained in the fourth sentence of Paragraph Four of AT&T's Petition and Complaint.

6. BellSouth Long Distance admits the allegations contained in Paragraph Five of AT&T's Petition and Complaint.

7. BellSouth Long Distance admits the allegations contained in the first three sentences of Paragraph Six of AT&T's Petition and Complaint and further admits that BellSouth Telecommunications, Inc.'s rate for two ends of intrastate access in Florida is approximately \$0.046 per minute of use.

8. BellSouth Long Distance admits the allegations contained in the first and second sentences of Paragraph Seven of AT&T's Petition and Complaint, but also states that Promotion # 31 requires qualifying customers to pay a monthly recurring charge of \$3.95. BellSouth Long Distance admits that the rate of one-cent per minute is below the price that BellSouth Telecommunications, Inc. charges long distance carriers for intrastate switched access services, but denies the remaining portions of Paragraph Seven of AT&T's Petition and Complaint. BellSouth Long Distance further states that Florida Statutes § 364.05(5)(c), by its terms, does not apply to BellSouth Long Distance.

9. BellSouth Long Distance admits the allegations contained in the third sentence of Paragraph Eight of AT&T's Petition and Complaint. BellSouth Long Distance denies that its payments of access charges to BellSouth Telecommunications, Inc. are simply intra-corporate accounting transactions, admits the remaining allegations contained in the fifth sentence of Paragraph Eight of AT&T's Petition and Complaint, but denies that there is any anticompetitive or improper effect as a consequence of these transactions. BellSouth Long Distance denies the remaining allegations contained in Paragraph Eight of AT&T's Petition and Complaint.

10. BellSouth Long Distance admits the allegations contained in the fourth sentence of Paragraph Nine of AT&T's Petition and Complaint. BellSouth Long Distance further admits the allegations contained in the second sentence of Paragraph Nine of AT&T's Petition and

Complaint, but denies that there is any anticompetitive or other improper behavior or effect as a result of such. BellSouth Long Distance denies the remaining allegations contained in Paragraph Nine of AT&T's Petition and Complaint.

11. BellSouth Long Distance denies the allegations contained in Paragraph Ten in AT&T's Petition and Complaint.

12. BellSouth Long Distance is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in the second, third and fourth sentences of Paragraph Eleven of AT&T's Petition and Complaint. BellSouth Long Distance denies the remaining allegations contained in Paragraph Eleven of AT&T's Petition and Complaint.

13. BellSouth Long Distance admits the allegations contained in the second sentence of Paragraph Twelve of AT&T's Petition and Complaint. BellSouth Long Distance further admits that, in the BellSouth Third Quarter Report, BellSouth Investor News, 2003, it was stated that, across its nine-state region, BellSouth Long Distance has obtained a 24% market share of BellSouth Telecommunications, Inc.'s residential local lines and a 34% market share of BellSouth Telecommunications, Inc.'s small business local lines. With respect to the fourth sentence of Paragraph 12 of AT&T's Petition and Complaint, BellSouth Long Distance states that the law speaks for itself and, therefore, BellSouth Long Distance neither admits nor denies the assertions made in this sentence. BellSouth Long Distance denies the remaining allegations contained in Paragraph Twelve of AT&T's Petition and Complaint.

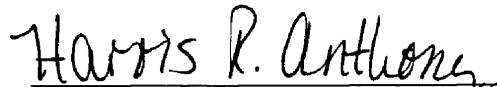
14. BellSouth Long Distance denies any allegations not specifically answered herein.

15. BellSouth Long Distance denies that AT&T's Petition and Complaint has stated any claims upon which relief can be granted, either as set forth by AT&T, or otherwise.

WHEREFORE, BellSouth Long Distance prays that the Commission enter judgment in its favor and against AT&T, denying the relief request by AT&T in the Petition and Complaint, and granting BellSouth Long Distance all other relief as deemed appropriate under law.

Respectfully submitted this 2<sup>nd</sup> day of December, 2003.

BELLSOUTH LONG DISTANCE, INC.

Handwritten signature of Harris R. Anthony in cursive script.

Harris R. Anthony (CA)  
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