



ORIGINAL

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1311 Executive Center Drive, Suite 220
Tallahassee, FL 32301-5027

040353-TP

April 20, 2004

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

RECEIVED FPSC
04 APR 20 PM 2:55
COMMISSION
CLERK

**RE: PETITION OF SUPRA TO REVIEW AND CANCEL, OR IN THE ALTERNATIVE
IMMEDIATELY SUSPEND OR POSTPONE BELLSOUTH'S
PREFERREDPACK PLAN TARIFFS**

Dear Mrs. Bayo:

Enclosed are the originals and fifteen (15) copies of Supra Telecommunications and Information Systems, Inc.'s (Supra) Petition To Review And Cancel, Or In The Alternative Immediately Suspend Or Postpone Bellsouth's PreferredPack Plan Tariffs along with two (2) exhibits for filing.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return it to me.

Sincerely,

Jorge Cruz-Bustillo
Assistant General Counsel

RECEIVED & FILED
JCB
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE
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FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the following was served via Facsimile, E-Mail, Hand Delivery, and/or U.S. Mail this 20th day of April 2004 to the following:

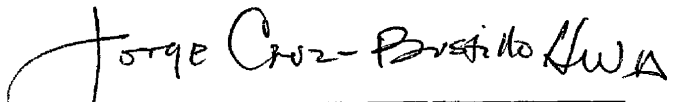
Beth Keating

*Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850*

Nancy White

*c/o Ms. Nancy H. Sims
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, FL 32301-1556*

SUPRA TELECOMMUNICATIONS
& INFORMATION SYSTEMS, INC.
2620 S. W. 27th Avenue
Miami, FL 33133
Telephone: 305/ 476-4252
Facsimile: 305/ 443-1078


By: Jorge Cruz-Bustillo

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition of Supra)
Telecommunications and Information) Docket No.
Systems, Inc.'s to Review and Cancel)
BellSouth's Promotional Offering Tariffs) Filed: April 20, 2004
Offered in conjunction with its new flat rate)
Service known as the PreferredPack Plan)
_____)

PETITION OF SUPRA TELECOMMUNICATIONS AND INFORMATION
SYSTEMS, INC.,
TO REVIEW AND CANCEL, OR IN THE ALTERNATIVE
IMMEDIATELY SUSPEND OR POSTPONE TARIFFS

Supra Telecommunications and Information Systems, Inc. ("Supra") by and through its undersigned counsel and hereby files this petition with the Florida Public Service Commission ("Commission") pursuant to Florida Statutes §§364.01, 365.051, 364.08 and 365.285, Florida Statutes, and hereby requests that this Commission review and cancel, or in the alternative to immediately suspend or postpone, certain Tariffs allowing BellSouth Telecommunications Inc., ("BellSouth") to offer several months of free telephone service in violation of Florida Statutes. In support thereof, Supra states as follows:

1. Supra is a competitive local exchange carrier ("ALEC") certificated by the Commission to provide telecommunications services within the State of Florida. Petitioner's name, address and telephone number is as follows:

Supra Telecommunications and Information Systems, Inc.
2620 S. W. 27th Avenue,
Miami, Florida 33133
(305) 476-4200

2. The Petitioner's representative's name, address and telephone number is:

Brian Chaiken, Esq.

Legal Department
Supra Telecommunications and Information Systems, Inc.
2620 S.W. 27th Avenue
Miami, Florida 33133
Telephone: 305.476.4248
Facsimile: 305.443.1078

3. BellSouth is a corporation organized and formed under the laws of the state of Georgia, with its principal office at 675 West Peachtree Street, Atlanta, Georgia, 30375. BellSouth is an Incumbent Local Exchange Carrier ("ILEC") certificated by this Commission to provide local exchange telecommunications services in the state of Florida. BellSouth's address in the State of Florida for service of process is:

Nancy B. White, General Counsel
c/o Nancy H. Sims, Director of Regulatory Affairs
BellSouth Telecommunications, Inc.
150 South Monroe Street
Suite 400
Tallahassee, Florida 32301

FACTUAL ALLEGATIONS

4. BellSouth began offering a new flat rate service known as the PreferredPack Plan, Tariff No. T-031414, which became effective on January 9, 2004 (hereinafter referred to as "PreferredPack Tariff") See PreferredPack Tariff, §A3.4.6 Revised page 26.1, attached hereto as **Composite Exhibit A**. The monthly retail rate is \$26.95 which entitles the subscriber unlimited local calling to all exchange access lines within the subscribers local calling area as well as unlimited use of the following groups of features/services: (1) Call Waiting Deluxe, Three Way Calling, Call Forwarding Busy Line, Call Forwarding Don't Answer (with or without ring control), Star 98 Access, (2) Caller ID-Deluxe, Call Return (*69), (3) Message Waiting Indication, and (4) Privacy Director Service. See Composite Exhibit A. These features are among

the most popular services provided by Supra. The PreferredPack Plan service is only available to residential subscribers who do not currently have local service with BellSouth.

5. BellSouth has three (3) promotional offering tariffs that are offered in conjunction with the PreferredPack Plan.

6. The first promotional offering is known as "\$100 CASH BACK", Tariff No. T-031379, which became effective on January 2, 2004 (hereinafter referred to as "\$100 CASH BACK Tariff"). See \$100 CASH BACK¹ Tariff, §A2.10.2 Revised page 32.1 and 32.2, attached hereto as Composite Exhibit A.

7. The second promotional offering is known as the "\$25 Gift Card", Tariff No. T-031380, which became effective on January 2, 2004 (hereinafter referred to as "\$25 Gift Card Tariff"). See \$25 Gift Card² Tariff, §A2.10.2 Revised page 32.3, attached hereto as Composite Exhibit A.

8. The third promotional offering is known as the "Line Connection Charge Waiver," Tariff No. T-031381, which became effective on January 2, 2004 (hereinafter referred to as "Connection Fee Waiver Tariff"). See Connection Fee Waiver Tariff, §A2.10.2 Revised page 32.4, attached hereto as Composite Exhibit A. This is a savings of \$40.88. See BellSouth

¹ To receive the \$100 Cash Back the customer fills out a coupon and mails it to BellSouth. The customer will receive the check within 4-6 weeks after BellSouth receives the coupon. The customer must still have the qualifying service at the time the check is processed. This offer may be combined with other promotional offers on the same service. This information is found in BellSouth's Tariff and the Direct Mail Piece attached hereto as Exhibit B.

² To receive the \$25 Gift Card the customer fills out a coupon and mails it to BellSouth. The customer will receive the Gift Card within 4-6 weeks after BellSouth receives the coupon. The customer must still have the qualifying service at the time the Gift Card is processed. This offer may be combined with other promotional offers on the same service. This information is found in BellSouth's Tariff and the Direct Mail Piece attached hereto as Exhibit B.

Direct Mail piece attached hereto as Exhibit B – identifying the savings from the connection fee waiver: “\$40.88!” (Emphasis in original).

9. The combination of these promotional offerings offered in conjunction with the PreferredPack Plan has the effect of providing free service to the consumer for several months and one month of non-compensatory below cost service. This is in violation of §§364.08 and 364.051(5)(c), Florida Statutes, and is an anti-competitive practice pursuant to §364.012(4)(g), Florida Statutes.

10. Section 364.08(2), Florida Statutes, prohibits carriers from giving away free service.

11. In Docket No. 990043-TP (Petition to review and cancel BellSouth Telecommunications, Inc.’s promotional tariff (T-981783) by Arrow Communications), (“Arrow Docket”) the Commission voted to suspend BellSouth’s tariff pending resolution of the petition. The Commission found (as noted on its February 2, 1999 Vote Sheet) that Arrow’s Petition demonstrates that the alleged anticompetitive or discriminatory effect of the tariff will cause significant harm that cannot be adequately redressed if the tariff is ultimately determined to be invalid. Such harm includes financial or economic harm to competing telecommunications providers.

12. In the Arrow Docket, BellSouth proposed a discount of free connection charges and three free months of service to CLEC customers.

13. In this case, BellSouth is likewise offering three (3), four (4) or five (5) months of free service depending on how you choose to calculate the discounts. In either case, the free service is anti-competitive and in violation of Florida Statutes.

Free Service & Below Cost

14. The PreferredPack Plan retails for \$26.95 a month. This price is not arbitrary. It is exactly \$1.00 less than the price of Supra's Total Solutions product, which service package is very comparable to BellSouth's PreferredPack Plan. Amazingly, BellSouth has repeatedly argued before the Federal Communications Commission ("FCC") and this Commission, that the TELRIC UNE pricing set by Florida and other state utility commissions force BellSouth to sell its services to CLECs below cost. Given these recent promotions, it is apparent that either (a) BellSouth's arguments regarding TELRIC UNE pricing being below cost are untrue, or (b) BellSouth's PreferredPack Plan is also below cost and is anti-competitive.³ As noted above, this new service is marketed in conjunction with three promotional offerings: (1) \$100 CASH BACK, (2) \$25 Gift Card, and (3) Connection Fee Waiver of \$40.88. See BellSouth Direct Mail piece attached hereto as **Exhibit B**.

15. After waiving the connection fee, the customer is given \$125.00 dollars. In the absence of the promotional offer, it would cost the customer \$107.80 ($\$26.95 \times 4 = \107.80) for four (4) months of the PreferredPack Plan service. With the promotional offerings, the customer is given free service for four (4) months. This violates both §§364.08 and 364.051(5)(c), Florida Statutes, because the service is free and below cost.

16. In addition to the four (4) months of free service, the fifth (5th) month's service is reduced to \$9.75 ($\$26.95 \times 5 = \$134.75 - \$125.00 = \9.75). If you add in the \$40.88 savings

³ BellSouth claimed cost of service in Zone 2 is \$27.53. Thus, the PreferredPack Plan retail price of \$26.95 is below cost. See PSC-02-1311-FOF-TP, for BellSouth's proposed rates for loop/port combination [pg. 119], ODUF (message processing, per message) [pg. 129]; usage based on BellSouth charges to Supra; and features charge obtained from BellSouth's Post Hearing Brief in Docket No. 990649A-TP, pg. 20.

from the Connection Fee Waiver Tariff, the customer obtains a fifth (5th) month of free service and the cost of the sixth (6th) month of service is only \$9.75. This last month of service – whether the fifth (5th) or sixth (6th) month - is below the direct cost that BellSouth must collect on its service, in violation of §364.051(5)(c), Florida Statutes.

17. §364.051(5)(c), Florida Statutes, provides in part that the “price charged to a consumer for a non-basic service shall cover the direct costs of providing the service . . .”

18. This Commission has stated the following: “Section 364.051(5)(c), Florida Statutes, examines direct costs, and we believe an examination of direct cost is needed to make a determination of whether the post-discounted rates offered . . . remain “compensatory” for BellSouth.” See Order No. PSC-03-0726-FOF-TP, pg. 21.

19. “If a determination revealed that the (sic) such rates were “non-compensatory,” such a finding would sway us to conclude that the tariff offerings are unfair, anticompetitive, or discriminatory.” Id. at pg. 22.

20. The cost of service in Zone 1 and 2 are \$16.36 and \$20.87, respectively⁴. Sixty-Eight (68%) percent of all access lines in BellSouth’s territory are in Zone 2.⁵ In arriving at both figures, Supra utilized the same methodology BellSouth Witness, W. Bernard Shell, used in Docket No. 020119-TP⁶ - as well as the updated cost figures for the loop-port combination and ODUF charges obtained from Order No. PSC-02-1311-FOF-TP, issued on September 27, 2002.

⁴ Based on Commission approved rates. Cost figure in footnote 3 is based in part on BellSouth proposed rates.

⁵ See Pg. 21, BellSouth’s Post Hearing Brief in Docket No. 990649A-TP. According to BellSouth 29% of lines are in Zone 1 and 3% in Zone 3. Id.

⁶ Witness Shell in Direct Testimony wrote: “The costs used for this test were the statewide average Unbundled Network Element (“UNE”) rates for the loop-port combination plus usage ordered by the

21. Thus, the calculation for Zones 1 and 2 were as follows:

Zone		(1)	(2)
UNE-P (loop/port combination) ⁷	=	\$10.69	\$15.20
Usage ⁸	=	\$3.41	\$3.41
Features Port ⁹	=	\$2.26	\$2.26
ODUF ¹⁰	=	<u>\$0.002146</u>	<u>\$0.002146</u>
Total		\$16.36	\$20.87

22. As noted earlier herein, the cost of service in the fifth month, with the win-back promotional offerings, is \$9.75. This amount of money is less than the cost of service in both Zones 1 and 2. Thus, the PreferredPack Plan service offered in the fifth (5th) month of service is non-compensatory and, as such, is unfair, anticompetitive and discriminatory.

23. BellSouth, because of its dominant market share and enormous revenue base, can afford to lose money on these customers through these steep discounts, even for a prolonged period of time; whereas, CLECs do not have the financial depth to withstand similar losses that would be caused by matching BellSouth's promotional discount tariffs. This gives BellSouth the ability to take market share from CLECs and irreparably harm the CLECs' collective financial and economic ability to increase their already frail market share.

Florida Public Service Commission (Order No. PSC-01-2051-FOF-TP, dated October 18, 2001) in Docket No. 990649-TP." See Pg. 3, Lines 21-24, Direct Testimony, Docket No. 020119-TP.

⁷ See Pg. 119, Order No. PSC-02-1311-FOF-TP.

⁸ See Pg. 20, BellSouth's Post Hearing Brief, Docket No. 990649A-TP. This rate does not reflect the average usage cost in a UNE-P environment. The \$3.41 rate used by BellSouth in Docket 990649A-TP is the average cost "across all lines, not just UNE-P." "[W]e [BellSouth] used all lines" including "retail, resale and UNE-P." These quoted remarks were made by BellSouth Witness Greg Follensbee on November 5, 2002, in the United States Bankruptcy Court Case No. 02-41250-BKC-RAM; Hearing Transcript pg. 572, Lines 8-23. BellSouth subsequently confirmed Follensbee's November 2002 Federal Court admission in a July 2003, filing in Docket No. 030482-TP, by writing that the data used to calculate the average "usage" costs, in its April 12, 2002 and August 26, 2002 filings in Docket 990649A-TP, were based upon "all end users in Florida." A more realistic and accurate average usage cost should be \$5.50, the amount BellSouth charges to Supra. This Complaint will nevertheless show that BellSouth's service and promotional offerings are provided below cost -- even using BellSouth's claimed lower usage costs.

⁹ See Pg. 20, BellSouth's Post Hearing Brief in Docket No. 990649A-TP.

¹⁰ See Pg. 129, Order No. PSC-02-1311-FOF-TP (message processing -- per message)

24. This Commission should also note that BellSouth's PreferredPack Tariff does not require a contractual arrangement between BellSouth and the winback/reacquisition customers that will ensure retention of these customers for a period of time sufficient to allow BellSouth to break even on each individual winback customer. Thus, if a BellSouth customer switches back to a CLEC after a five-month period, BellSouth would have given the customer five months of free local service. True competitive service offerings are priced above cost. Services that are sold below cost are intended to unfairly steal market share and harm competition. It appears that BellSouth's real intent in offering its PreferredPack Tariff in conjunction with its deep discounted promotional offerings is not to offer a competitive cost-based plan to Florida consumers, but to thwart competition in the local telecommunications market and to permanently entrench BellSouth's dominant market position by selling service below cost. Because of BellSouth's large local market share and revenue base, it has the financial wherewithal to withstand any short-term revenue losses on these customers. Once BellSouth is successful in driving CLEC competitors out of the local market through its anticompetitive promotional pricing, BellSouth can then eliminate its promotional offerings and raise the rates of its local services to recoup those losses.

25. In Docket No. 020119-TP, BellSouth Witness Shell included the Subscriber Line Charge ("SLC") in calculating whether the promotional offering was compensatory. Supra does not believe that the SLC should be included in any calculation in determining whether BellSouth is selling its service below cost. The rationale for not including the SLC is that while carriers are authorized to impose this charge and most do (to obtain the revenue), the charge is still discretionary and need not be imposed.

26. If the SLC of \$5.00¹¹ is added to the \$9.75 for the fifth month of service, the evidence demonstrates that the PreferredPack Plan service is still below cost in both Zone 1 and 2 – all in violation of §364.051(c), Florida Statutes.

27. If the SLC is included in the calculation from the outset, the customer would still obtain three (3) free months of service. This type of promotion has already been found by this Commission to be unfair and discriminatory in the Arrow Docket.

28. Using the same calculation as before, in the absence of the promotional offer, it would cost the customer \$95.85 (PreferredPack Plan \$26.95 + SLC \$5.00 = \$31.95 x 3 = \$95.85) for three (3) months of the PreferredPack Plan service.

29. The promotional offerings – as marketed by BellSouth in Exhibit B - waive the connection fee, and provides to the customer \$125.00 dollars (\$100 CASH BACK and the \$25 Gift Card) which leaves in the customer's proverbial pocket \$29.15 ($\$125.00 - \$95.85 = \29.15) more than the customer is expected to pay for this retail service for three (3) months. The out of pocket expense for the fourth (4th) month would only be \$2.80 ($\$31.95 - \$29.15 = \2.80). This amount of money in the fourth (4th) month is less than the cost of service in both Zones 1 and 2. This violates both §§364.08 and 364.051(5)(c), Florida Statutes, because the service is free and below cost.

30. If you add in the \$40.88 savings from the Connection Fee Waiver Tariff, the customer obtains a fourth (4th) month of free service and the cost of the fifth (5th) month of service is only \$2.80. This last month of service – whether the fourth (4th) or fifth (5th) month - is

¹¹ See Pg. 21, BellSouth's Post Hearing Brief in Docket No. 990649A-TP.

below the direct cost, in Zone 1 and 2, that BellSouth must collect on its service. Again, this is in violation of §364.051(5)(c), Florida Statutes.

31. Thus, even when the SLC is included, the customer still receives at least three (3) months or four (4) months of free service; in turn making the fourth (4th) or fifth (5th) month of service non-compensatory. This is unfair, anticompetitive and discriminatory in violation of §§364.08, 364.051(5)(c), and 364.01(4)(g), Florida Statutes.

WHEREFORE, Supra respectfully requests that this Commission:

(1) Review and cancel or, in the alternative, immediately suspend or postpone the effectiveness of the \$100 CASH BACK Tariff, \$25 Gift Card Tariff, and the Connection Fee Waiver Tariff as offered in conjunction with BellSouth's PreferredPack Plan service on the basis that Supra's Petition demonstrates that the alleged anticompetitive or discriminatory effect of the above tariffs - in violation of §§364.08, 364.051(5)(c), and 364.01(4)(g), Florida Statutes - will cause significant harm that cannot be adequately redressed if the tariffs are ultimately determined to be invalid;

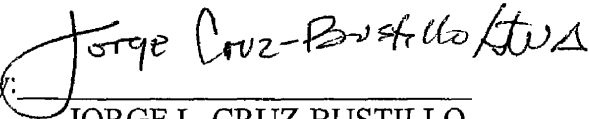
(2) If the Tariffs are not immediately suspended or postponed, grant Supra an expedited hearing to review and adjudicate whether the tariffs offered in conjunction with the PreferredPack Plan are in violation of §§364.08, 364.051(5)(c), and 364.01(4)(g), Florida Statutes; and

(3) Initiate an investigation of BellSouth's promotional pricing and marketing practices.

(4) Grant such other relief as deemed appropriate.

Respectfully submitted this 20th day of April 2004.

SUPRA TELECOMMUNICATIONS
AND INFORMATION SYSTEMS, INC.
2620 S.W. 27th Avenue
Miami, Florida 33133
Telephone: 305.476.4252
Facsimile: 305.443.1078

By: 

JORGE L. CRUZ-BUSTILLO

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA
ISSUED: December 24, 2003
BY: Joseph P. Lacher, President -FL
Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

Second Revised Page 26.1
Cancels First Revised Page 26.1

EFFECTIVE: January 9, 2004

A3. BASIC LOCAL EXCHANGE SERVICE

A3.4 Flat Rate Service (Cont'd)

A3.4.5 Optional Payment Plans for Multi-Line Flat Rate Service (Obsoleted, See Section A103)

(T)

A3.4.6 PreferredPack Plan

(N)

A. Description of Service

(N)

1. The PreferredPack plan provides the features/services specified following and a flat rate access line with Touch-Tone capability. (N)
2. The rate specified herein entitles a residence subscriber to unlimited calling to all exchange access lines within the subscriber's local calling area as defined in A3.3.1. of this Tariff. (N)
3. The rate specified herein also entitles a residence subscriber to unlimited use of the features/services specified following from the listed sections of this Tariff: (N)

A13.9 Call Waiting Deluxe, Three-Way Calling, Call Forwarding Busy Line, Call Forwarding Don't Answer (with or without Ring Control), Star 98 Access (N)

A13.19 Caller ID-Deluxe, Call Return (N)

A13.47 Message Waiting Indication (N)

A13.70 Privacy Director service (N)

B. Regulations and Limitations of Service

(N)

1. The PreferredPack plan is only available to residence subscribers. A residence subscriber may select any suitable combination of the features/services listed in A3.4.6.A.3. (N)
2. All rules, regulations and limitations specified in the Tariff sections listed in A3.4.6.A.3 apply to the respective features/services requested as part of this package. (N)
3. All features/services are furnished only from central offices that have been arranged to provide these services. The features/services are provided subject to availability of facilities. (N)
4. Service charges specified in Section A4. of this Tariff do not apply for transactions in which a subscriber only modifies an existing PreferredPack plan package by adding, deleting or changing features/services requested as part of the package. (N)
5. Existing customers of the PreferredPack plan can not take advantage of special promotions for the PreferredPack plan or any of the features/services specified in A3.4.6.A.3 preceding unless specifically allowed by the terms of the special promotion. (N)
6. The PreferredPack plan can be suspended as specified in A2.3.16 of this Tariff. During the period of suspension, the rate specified following applies. (N)

C. Rates and Charges

(N)

1. The following monthly rates apply for the PreferredPack plan. (N)

	Suspend Rate	Monthly Rate	USOC	
(a) Per plan package	\$5.50	\$26.95	PAMA5	(N)

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

GENERAL SUBSCRIBER SERVICE TARIFF

Original Page 32.1

ISSUED: December 17, 2003
BY: Joseph P. Lacher, President -FL
Miami, Florida

EFFECTIVE: January 2, 2004

A2. GENERAL REGULATIONS

A2.10 Special Promotions (Cont'd)

A2.10.2 Descriptions (Cont'd)

A. The following promotions are on file with the Commission: (Cont'd)

Area of Promotion	Service	Charges Waived	Period Authority	
BellSouth's Service Territory -- From Central Office where services are available	\$100 Cash Back Offer	-- \$100 cash back will be given to customers returning to BellSouth and purchasing BellSouth Complete Choice PreferredPack plan.	01/02/04 to 12/26/04	(N)
	-- Customer must either not currently have local service with BellSouth or not have service with BellSouth on one or more of their existing lines, including the line on which the service qualifying for this promotion will be provisioned.	-- The customer must place the order on or before 12/26/04.		(N)
	-- Customer must have local service or equivalent (wireless in lieu of wire-line) at the same local service address on one or more of their existing lines.	-- The customer must place their order through a BellSouth business office or outbound telemarketing vendor or alternate channels as indicated.		(N)
	-- Customer must request service at the same address and in the same name, unless customer is planning an imminent move from one address in BellSouth territory to another address in BellSouth territory within thirty (30) days of responding to the offer. In the case of an imminent move, the BellSouth rep can offer the customer the promotion and place the order at the new address.	-- The customer must fill out a coupon and mail the coupon to a specified address by a specified date in order to receive the \$100 cash back.		(N)
	-- Customer must have not had local service with BellSouth at least ten (10) days prior to the new service connection date to be eligible.	-- Once the customer completes the above requirements they will receive the \$100 cash back. If the customer cancels or discontinues the qualifying service prior to fulfillment, he will be ineligible for the cash back offer.		(N)
	-- Customer must have the eligible services on their new service order (N) in order to receive the promotional offer.			(N)
	-- Offer valid for only one (1) service line at the intended local service address.			(N)
	-- BellSouth reserves the right to discontinue or modify this promotion at any time without customer notice.			(N)

BELLSOUTH
 TELECOMMUNICATIONS, INC.
 FLORIDA
 ISSUED: December 17, 2003
 BY: Joseph P. Lacher, President -FL
 Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

EFFECTIVE: January 2, 2004

A2. GENERAL REGULATIONS

A2.10 Special Promotions (Cont'd)

A2.10.2 Descriptions (Cont'd)

A. The following promotions are on file with the Commission: (Cont'd)

Area of Promotion	Service	Charges Waived	Period Authority	(N)
BellSouth's Service Territory - From Central Office where services are available	\$100 Cash Back Offer (Cont'd)	-- Offer may be combined with cash back offers or other promotional offers on the same services, as such offers may be concurrently available from time to time, provided that the Company reserves the right to prohibit the combination of this promotion with any other promotion, at the Company's sole discretion.	01/02/04 to 12/26/04	(N)
	-- The customer must switch their local service to BellSouth and purchase any one of the following: BellSouth Complete Choice plan, BellSouth Complete Choice Two- Line Plan package, BellSouth Complete Choice Three-Line Plan package, Area Plus with BellSouth Complete Choice plan, Area Plus Two-Line Plan package with BellSouth Complete Choice, Area Plus Three-Line Plan package with BellSouth Complete Choice, BellSouth PreferredPack plan, BellSouth PreferredPack plan for Voicemail.			

BELLSOUTH
 TELECOMMUNICATIONS, INC.
 FLORIDA
 ISSUED: December 17, 2003
 BY: Joseph P. Lacher, President -FL
 Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

EFFECTIVE: January 2, 2004

A2. GENERAL REGULATIONS

A2.10 Special Promotions (Cont'd)

A2.10.2 Descriptions (Cont'd)

A. The following promotions are on file with the Commission: (Cont'd)

Area of Promotion	Service	Charges Waived	Period Authority	
BellSouth's Service Territory - From Central Office where services are available	\$25 Gift Card	-- A \$25 gift card will be given to eligible residential customers who return to BellSouth and purchase BellSouth Complete Choice service or BellSouth PreferredPack plan and who have not been customers of BellSouth for ninety-one (91) or more days.	01/02/04 to 12/26/04	(N)
	-- Customer must either not currently have local service with BellSouth or not have service with BellSouth on one or more of their existing lines, including the line on which the service qualifying for this promotion will be provisioned.	-- The customer must place their order through a BellSouth business office or outbound telemarketing vendor or alternate channels.		(N)
	-- Customer must have local service or equivalent (wireless in lieu of wire-line) at the same local service address on one or more of their existing lines from another provider.	-- The customer must fill out a coupon and mail the coupon to a specified address by a specified date in order to receive the gift card.		(N)
	-- Customer must request service at the same address and in the same name, unless customer is planning an imminent move from one address in BellSouth territory to another address in BellSouth territory within 30 days of responding to the offer. In the case of an imminent move, the BellSouth rep can offer the customer the promotion and place the order at the new address.	-- Once the customer completes the above requirements they will receive the gift card. If the customer cancels or discontinues the qualifying service prior to fulfillment, he will be ineligible for the gift card.		(N)
	-- Customer must have not had local service with BellSouth at least ninety-one (91) days prior to the new service connection date or must have never been a Bellsouth customer and currently have service with another provider.	-- BellSouth reserves the right to discontinue or modify this promotion at any time without customer notice.		(N)
	-- The customer must switch their local service to BellSouth and purchase any one of the following: BellSouth Complete Choice plan or BellSouth PreferredPack plan.	-- Customer must have the eligible services on their new service order (N) in order to receive the promotional offer.		(N)
	-- The customer must place the order on or before 12/26/04.	-- Offer may be combined with cash back offers or other promotional offers on the same services, as such offers may be concurrently available from time to time, provided that the Company reserves the right to prohibit the combination of this promotion with any other promotion, at the Company's sole discretion.		(N)
	-- Offer valid for only one (1) service line at the intended local service address.			(N)

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

GENERAL SUBSCRIBER SERVICE TARIFF

Original Page 32.4

ISSUED: December 17, 2003

BY: Joseph P. Lacher, President -FL
Miami, Florida

EFFECTIVE: January 2, 2004

A2. GENERAL REGULATIONS**A2.10 Special Promotions (Cont'd)****A2.10.2 Descriptions (Cont'd)**

A. The following promotions are on file with the Commission: (Cont'd)

Area of Promotion	Service	Charges Waived	Period Authority	
BellSouth's Service Territory -- From Central Office where services are available	Line Connection Charge Waiver	-- The line connection charge to reacquisition or winover residential customers who currently are not using BellSouth for local service and who purchase BellSouth Complete Choice service, BellSouth PreferredPack service, or basic service and one (1) feature will be waived.	01/02/04 to 12/25/04	(N)
	-- Customer must either not currently have local service with BellSouth or not have service with BellSouth on one or more of their existing lines, including the line on which the service qualifying for this promotion will be provisioned.	-- Offer valid for only one (1) service line at the intended local service address.		(N)
	-- The target customer for this promotion is a customer that switches service from either a facility based or reseller CLEC. This promotion is not valid for out-of-region customers who are new to BellSouth.	-- The customer must place their order through a BellSouth business office or outbound telemarketing vendor or alternate channels as indicated.		(N)
	-- Customer must have local service or equivalent (wireless in lieu of wire-line) at the same local service address on one or more of their existing lines.	-- BellSouth reserves the right to discontinue or modify this promotion at any time without customer notice.		(N)
	-- Customer must request service at the same address and in the same name, unless customer is planning an imminent move from one address in BellSouth territory to another address in BellSouth territory within 30 days of responding to the offer. In the case of an imminent move, the BellSouth rep can offer the customer the promotion and place the order at the new address.	-- Customer must have the eligible services on their new service order (N) in order to receive the promotional offer.		(N)
	-- The customer must switch their local service to BellSouth and purchase any one of the following: BellSouth Complete Choice plan, BellSouth PreferredPack plan, or BellSouth basic service and one (1) custom calling (or Touchstar service) local features.	-- Offer may be combined with other offers for the same service at the same time.		(N)
	-- The customer must place the order on or before 12/25/04.			(N)

BELLSOUTH
 TELECOMMUNICATIONS, INC.
 FLORIDA
 ISSUED: December 19, 2003
 BY: Joseph P. Lacher, President -FL
 Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

EFFECTIVE: January 5, 2004

A2. GENERAL REGULATIONS

A2.10 Special Promotions (Cont'd)

A2.10.2 Descriptions (Cont'd)

A. The following promotions are on file with the Commission: (Cont'd)

Area of Promotion	Service	Charges Waived	Period Authority	
BellSouth's Service Territory - From Central Office where services are available	Consumer Answers Cash Back Promotion	-- Residential customers ordering the following new services will be eligible to receive a coupon redeemable for \$25 cash back: BellSouth Complete Choice service, Area Plus Complete Choice service, BellSouth PreferredPack service.	01/05/04 to 03/31/04	(N)
	-- Customer must place order for promotion eligible product(s) or service(s) between 01/05/04 and 03/31/04.			(N)
	-- Customer order must be completed and/or billing begun prior to coupon redemption.	-- New or existing BellSouth residential customers purchasing one of the following services are eligible to receive a coupon redeemable for \$25 cash back: BellSouth Complete Choice service, BellSouth Complete Choice Two-Line Plan package, BellSouth Complete Choice Three-Line Plan package, Area Plus with BellSouth Complete Choice plan, Area Plus Two-Line Plan package with BellSouth Complete Choice, Area Plus Three-Line Plan package with BellSouth Complete Choice, BellSouth PreferredPack plan (any version).		(N)
	-- The customer must fill out and mail the coupon(s) to the specified address by the specified date to redeem.			(N)
	-- Only customers who correctly redeem the coupon(s) by the postmark deadline date will be eligible to receive a check(s).			(N)
	-- The customer must be a current subscriber to the promotion-eligible BellSouth service at the time of coupon redemption.			(N)
	-- BellSouth reserves the right to discontinue or modify this promotion at any time without customer notice.	-- Existing BellSouth customers must upgrade from basic local service to one of the above listed Complete Choice products or PreferredPack products to receive cash back for their regulated service.		(N)
	-- Offer valid for only one (1) service line at the intended local service address.			(N)
	-- Customers that transfer qualifying service from one address to another address are not eligible for the cash back offer.	-- New subscribers to Complete Choice service and PreferredPack service are only eligible for this offer if they have not previously received the PreferredPack service or Complete Choice service \$25 cash back offer during the promotion period (01/05/04 to 03/31/04).		(N)
	-- Customers may only redeem one (1) coupon per regulated product purchased within the promotion period per customer account.			(N)

BELLSOUTH
 TELECOMMUNICATIONS, INC.
 FLORIDA
 ISSUED: December 19, 2003
 BY: Joseph P. Lacher, President -FL
 Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

EFFECTIVE: January 5, 2004

A2. GENERAL REGULATIONS

A2.10 Special Promotions (Cont'd)

A2.10.2 Descriptions (Cont'd)

A. The following promotions are on file with the Commission: (Cont'd)

Area of Promotion	Service	Charges Waived	Period Authority	
BellSouth's Service Territory - From Central Office where services are available	Consumer Answers Cash Back Promotion (Cont'd)	-- Customers that downgrade from Complete Choice service to one of the above listed PreferredPack plans will not be eligible for the cash back offer.	01/05/04 to 03/31/04	(N)
		-- Customers that transfer qualifying Complete Choice service from one address to another address are not eligible for the Complete Choice cash back offer.		(N)
		-- Customers that transfer qualifying PreferredPack service from one address to another address are not eligible for the PreferredPack service cash back offer.		(N)
		-- Complete Choice service or PreferredPack service order must be complete by 04/30/04 for customer to be eligible to receive cash back.		(N)

BELLSOUTH
 TELECOMMUNICATIONS, INC.
 FLORIDA
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GENERAL SUBSCRIBER SERVICE TARIFF

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EFFECTIVE: February 1, 2004

A2. GENERAL REGULATIONS

A2.10 Special Promotions (Cont'd)

A2.10.2 Descriptions (Cont'd)

A. The following promotions are on file with the Commission: (Cont'd)

Area of Promotion	Service	Charges Waived	Period Authority
BellSouth's service territory from central offices where services are available	Complete Choice service and PreferredPack plan	Any customer who switches their local service from another provider to BellSouth and purchases 1) the BellSouth PreferredPack plan or any product in the BellSouth Complete Choice plan family and 2) any BellSouth Long Distance product other than BellSouth Long Distance Unlimited service will receive a \$5 monthly discount on the PreferredPack plan or the product from the Complete Choice plan family.	01/09/04 to 01/08/05
Restrictions and Eligibility Criteria:			
-- The number or line on which the service qualifying for this promotion will be provisioned must have local service within BellSouth territory from another provider. The customer must switch this local service to BellSouth.			
-- Customer must request service at the same address and in the same name, unless customer is planning an imminent move from one address in BellSouth territory to another address in BellSouth territory within 30 days of responding to the offer. In the case of an imminent move, the BellSouth representative can offer the customer the promotion and place the order at the new address.			
-- Customer must have not had local service with BellSouth for at least 10 days prior to the new service connection date.			
-- Customer must have the eligible services on their new service order (N) in order to receive the promotional offer.			
-- In lieu of satisfying the preceding criteria, the benefits of this promotion will be extended to existing BellSouth customers who call the BellSouth business office, request this specific offer and satisfy the remaining restrictions and criteria. (N)			
--Customer must purchase the following products:			
a. The PreferredPack plan or a product from the Complete Choice plan family, and			
b. A BellSouth Long Distance product other than BellSouth Long Distance Unlimited service. A specific long distance plan must be selected. Selecting a BellSouth PIC and LPIC without selection of a Long Distance plan will not qualify a customer for this discount.			
-- The customer must place the order on or before January 8, 2005.			
-- Offer valid for only one (1) service line at the intended local service address.			
-- The customer must place their order through a BellSouth business office or outbound telemarketing vendor or alternate channel.			
-- If the customer cancels or discontinues one or more of the qualifying services, he will be ineligible for the discount.			
-- BellSouth reserves the right to discontinue or modify this promotion at any time with appropriate notice.			
-- Offer may be combined with cash back offers or other promotional offers on the same services, as such offers may be concurrently available from time to time, provided that the Company reserves the right to prohibit the combination of this promotion with any other promotion, at the Company's sole discretion. This promotion may not be combined with the Unlimited Reacquisition Bundle Offer.			

*And give you everything
you need.*

1The BellSouth PreferredPack plan consists of local service plus Caller ID Deluxe, Call Waiting Deluxe, Call Return, Three-way Calling and BellSouth® Privacy Director® service. 2Rate quoted applies only to new residential phone service in the state of Florida. 3Caller ID blocking is available, so some calling names and numbers may not be displayed. Caller ID units and Call Waiting equipment are necessary for the operation of Caller ID Deluxe and Call Waiting Deluxe services and are offered by BellSouth; they may also be purchased from independent dealers. Long distance or expanded local calling rates may apply for Call Return and Three-way Calling. 4Long distance service provided by BellSouth® Long Distance, Inc. and is available in BellSouth service areas. Additional state-mandated charges may apply on certain specified routes. A \$3.95 monthly recurring charge applies for 5¢ a minute rate. International calls extra. Taxes, fees and other charges, including Universal Service Fund, apply. Other terms and conditions apply. 5Offer expires 12/31/2004. To receive cash-back offer, customer must switch local telephone service to BellSouth from another carrier, and customer must purchase the BellSouth® Complete Choice® plan or the BellSouth PreferredPack plan. Customer will receive a cash-back coupon in the mail which must be redeemed by returning it to BellSouth. See coupon for redemption details. Check will be received 4-6 weeks after receipt of coupon by BellSouth. Customer must still have qualifying service at the time of check processing. Offer valid for only one service line at the intended local service address. Customer must not have had local service with BellSouth 10 days prior to new service connection date. Offer may be modified or withdrawn at any time without notice. 6Unlimited long distance plan not eligible for discount. All offers may be modified or withdrawn at any time without notice. 7Cannot be used for cash withdrawals. Issued by Bank One, NA. Visa Gift Card will be mailed to customers who still retain qualifying service at the time cards are processed 4 to 6 weeks after submission of coupon. Limited-time offer. \$25 gift card offer available to eligible residential customers who purchase the BellSouth Complete Choice plan or the BellSouth PreferredPack plan and who have not been customers of BellSouth for ninety-one (91) days. Customer will receive coupon for gift card which must be returned to BellSouth. See coupon for redemption details. Offer valid for one (1) service line at intended local service address. ©2004 BellSouth Corporation. All rights reserved. All BellSouth trademarks and service marks are owned by BellSouth Intellectual Property Corporation.

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EXHIBIT - B -

*You have
a secret admirer.*



We promise to do all this and more, because we really want your business. And we also want to win your heart.

Starting with a phone plan you're going to love!

Introducing the BellSouth® PreferredPackSM Plan!¹

It's a money-saving package that streamlines your phone service by giving you only our most popular calling features, the ones our customers say they rely on most for much less than you would pay for each feature separately — all for just \$26.95 a month!²

- **Caller ID Deluxe³** - you'll know who's calling before you answer the phone.
- **Call Waiting Deluxe** - works with Caller ID to show you another caller is waiting.
- **Call Return (*69)³** - automatically calls back the last number that called you.
- **Three-way Calling³** - lets you carry on a conversation simultaneously with two different callers.

With BellSouth, you enjoy the convenience of having all your phone services in one place, with one simple, easy-to-read bill. Regardless of your individual calling needs, we have a plan and the services to fit your lifestyle and your budget — local service, long distance, dial-up and high-speed DSL Internet services, wireless, and more. All from the company you know and trust.

There's never been a better time to become a BellSouth customer! Because now you can reap the rewards of an incredible new calling plan...ring up great savings...and enjoy local service and bundled features, including long distance for as low as 5¢ a minute!⁴

We'll even send you a sweet bouquet of bucks to spend any way your heart desires.

>> \$100 CASH BACK⁵

with the BellSouth PreferredPack Plan!

We'll also waive your local service connection fee — a savings of ~~\$40.88!~~ And by adding a qualifying long distance plan, you'll get a **\$5.00 a month DISCOUNT!**⁶

Plus, we'll give you a

\$25 BellSouth® Rewards Pre-Paid Visa® Card!

Use this valuable card for meals or merchandise, movie tickets, catalog goodies, whatever you desire! It works at millions of locations that accept Visa Gift Cards.

Who says a long distance romance can't work!

Call us toll free: **1 877 430-5996.**

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Listening. Answering.™

(see back for more details)

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Someone who wants to take care of you.