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ONICHAL FIE COPY

December 11, 1995

Mrs. Blanca S. Bayo Director, Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399

> RE: <u>Docket No. 950985-TP; 950985A-TP; 950985B-TP; 950985C-</u> TP; and 950985D-TP

Dear Mrs. Bayo:

Enclosed please find an original and fifteen copies of BellSouth Telecommunications, Inc.'s Prehearing Statement. Please file these documents in the captioned dockets.

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

Sincerely,

Nancy B. White (As)

Enclosures

AFA

cc: All Parties of Record

A. M. Lombardo

R. G. Beatty

R. D. Lackey

RECEIVED & FILED

DOCUMENT NUMBER-DATE

FPSC-RECORDS/REPORTING

# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Resolution of petition(s) to establish ) nondiscriminatory rates, ) local exchange companies ) Docket No. 950985B-TP (MFS) alternative local exchange companies and ) pursuant to Section 364.162, Florida Statutes)

terms, and conditions for) Docket No. 950985-TP (Teleport) interconnection involving) Docket No. 950985A-TP (Continental) and alternative local ) Docket No. 950985C-TP (MCImetro) exchange companies and ) Docket No. 950985D-TP (Time Warner)

Filed: December 11, 1995

# PREHEARING STATEMENT OF BELLSOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc. ("BellSouth" or "Company"), in compliance with the Order Regarding Further Proceedings (Order No. PSC-95-1421-PCO-TP) issued November 22, 1995, submits its Prehearing Statement for Docket No. 950985-TP; 950985A-TP; 950985B-TP; 950985C-TP; and 950985D-TP.

### A. WITNESSES

BellSouth proposes to call the following witnesses to offer direct testimony on the issues indicated below:

Witnesses	<u>Issues</u>
Alphonso J. Varner (Teleport)	1-10
Robert Scheye (All dockets)	1-14
Dr. Andy Banerjee (All dockets)	1

In addition, BellSouth proposes to call the following witnesses to offer rebuttal testimony on the issues identified below:

Witnesses	<u>Issues</u>
Robert Scheye (All dockets)	All issues.
Dr. Andy Banerjee (All dockets)	1

DOCUMENT NUMBER-DATE

BellSouth further reserves the right to call additional rebuttal witnesses, witnesses to respond to Commission inquiries not addressed in direct or rebuttal testimony and witnesses to address issues not presently designated that may be designated by the Prehearing Officer at the prehearing conference to be held on December 22, 1995.

# B. EXHIBITS

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Witness	Document Indicator	Title of Exhibit
Alphonso J. Varner (Teleport)	AJV-1	Proposed Issues
	AJV-2	Negotiation Items
Robert Scheye (Teleport)	RCS-1	Existing Interconnection Arrangements
	RCS-2	Description of Existing Interconnection Arrangements
	RCS-3	Issues Agreed Upon on September 22, 1995
Robert Scheye (All dockets)	RCS-1	Issues List
	RCS-2	Negotiation Items
	RCS-3	TCG Stipulation and Agreement
	RCS-4	Current BellSouth Use of NXX Codes
	RCS-5	Example 1 of ALECs Potential Use of NXX Codes
	RCS-6	Example 2 of ALECs Potential Use of NXX Codes
	RCS-7	FCTA/Time-Warner Stipulation and Agreement

Dr. Andy Banerjee AXB-1 Curriculum Vitae (All other dockets)

BellSouth reserves the right to file exhibits to any additional testimony that may be filed under the circumstances identified in Section "A" above. BellSouth also reserves the right to introduce exhibits for cross-examination, impeachment, or any other purpose authorized by the applicable Florida Rules of Evidence and the Rules of this Commission.

## C. STATEMENT OF BASIC POSITION

Local interconnection arrangements will be significantly affected by the universal service issues being addressed in Florida Docket No. 950696-TP. Specifically, the manner in which the universal support mechanism is modified to include the required ALEC support, will affect the rate structure and level for local interconnection arrangements. BellSouth's local interconnection arrangements must also accommodate the unbundled network components and capabilities required under revised Chapter 364.

The appropriate interconnection arrangement for the exchange of local and toll traffic between ALECs and BellSouth is an arrangement which is based on the switched access rate structure and rate levels. The existing switched access interconnection arrangement incorporates all of the components necessary to accommodate local interconnection arrangements between ALECs and BellSouth. Because the toll access model can support local traffic, there is no need to develop new rate structures for

local traffic only. Adoption of the switched access rate structure and rates will result in minimizing the arbitrage potential since the identical capabilities could be used for both local and toll traffic (which is likely to become indistinguishable shortly). The switched access model will also provide all the functionality required with any given technical interconnection arrangement (i.e., end office, tandem, etc.)

With regard to unbundling, it is BellSouth's position that the existing ONA model and criteria should be used to the extent possible to determine the feasibility of unbundling network elements, components, or capabilities. BellSouth already offers many features on an unbundled basis, such as loops, interoffice transport and various forms of exchange access. BellSouth also plans to offer, on an unbundled basis, additional features, functions, and capabilities.

## D. BELLSOUTH'S POSITION ON THE ISSUES

Issue No. 1: What is (are) the appropriate interconnection rate structure, rates or other arrangements for the exchange of local and toll traffic between ALECs and BellSouth?

<u>Position</u>: BellSouth supports a local interconnection plan that includes the following components:

\* A compensation arrangement for terminating traffic on BellSouth and ALEC networks based on the appropriate switched access rate structure and rate levels (BellSouth's rate level and components

may vary based on the universal service mechanism
adopted);

- \* A default to the toll access model if local calls cannot be distinguished from toll; and
- \* A transitional structure that will eventually merge all interconnection arrangements (local, toll, independent, cellular/wireless) into one common structure.

BellSouth strongly opposes any plan, such as "bill and keep", which would allow its property to be taken without just compensation.

Issue No. 2: If the Commission sets rates, terms and conditions for interconnection between ALECs and BellSouth, should BellSouth tariff the interconnection rate(s) or other arrangements?

<u>Position</u>: Yes. Following the completion of negotiations or upon receiving an order from the Commission, BellSouth intends to file its rates for local exchange interconnection in a tariff or in contracts filed with the Commission.

Issue No. 3: What are the appropriate technical and financial arrangements which should govern interconnection between ALEC's and BellSouth for the delivery of calls originated and/or terminated from carriers not directly connected to an ALECs' network?

Position: BellSouth is analyzing the appropriateness of providing an intermediary function that would allow calls from an ALEC customer to transit through BellSouth's network to another ALEC's network. To the extent that BellSouth and ALECs agree that this arrangement is necessary and that the technical and financial issues are resolved, BellSouth can provide this type of interconnection. These situations may require certain "meet point billing" arrangements where each carrier would bill its portion of the interconnection arrangement to the other carrier.

Issue No. 4: What are the appropriate technical and financial requirements for the exchange of intraLATA 800 traffic which originates from an ALEC customer and terminates to an 800 number served by or through BellSouth?

Position: It is BellSouth's position, at least during the initial phase of local exchange competition, that the traffic at issue in this question will be minimal. While BellSouth provides some intraLATA 800 services, ALECs may opt not to provide a comparable service, further reducing the potential volume of traffic. If ALECs opt to provide a comparable service, there will be a need for procedures to be established for the exchange of data in both directions for billing purposes between the two parties involved. Given the minimal amount of traffic involved, it is BellSouth's opinion that the parties can resolve this issue.

Issue Nos. 5(a) and 5(b): What are the appropriate technical arrangements for the interconnection of an ALEC's network to BellSouth's 911 provisioning network such that ALEC customers are ensured the same level of 911 service as they would receive as a customer of BellSouth? What procedures should be in place for the timely exchange and updating of ALEC customer information for inclusion in appropriate E911 databases?

Position: Public safety concerns are of the highest priority. The most appropriate interconnection arrangement would be for each ALEC to provide its own facilities or lease facilities from BellSouth that will connect the trunk side of the ALEC's end office to the BellSouth 911 tandem serving the calling customer's Public Safety Answering Point (PSAP). The trunks must be capable of carrying Automatic Number Identification (ANI) to the 911 tandem. The trunk facility must conform with ANSI T1.405-1989 (Interface Between Carriers and Customer Installations - Analog voice Grade Switched Access). The trunk interface between the ALEC end office and the BellSouth tandem may be either a 2-wire analog interface or a digital DS1 interface. A minimum of two trunks are required; however, additional trunks may be required depending on the volume of traffic.

Procedures must be in place to handle transmission, receipt and daily updates of the customer telephone number and the name and address associated with that number. At least three data files or databases (Master Street Address Guide; Telephone

Number; and Network Information) are generally required to provide data for display at the Public Service Answering Position (PSAP).

Issue No. 6: What are the appropriate technical and financial requirements for operator handled traffic flowing between an ALEC and BellSouth including busy line verification and emergency interrupt services?

Position: A dedicated trunk group, either one way or two way, is required from the ALEC's end office to the BellSouth Operator Service System. The trunk group can be the same as that used for Inward Operator Services (busy line verification and emergency interrupt services) and Operator Transfer Service.

Busy line verification and emergency interrupt services are currently tariffed in the Access Service Tariff.

<u>Issue No. 7</u>: What are the appropriate arrangements for the provision of directory assistance services and data between BellSouth and ALECs?

Position: If an ALEC desires to list its customers in BellSouth's directory assistance database, BellSouth will provide this service as long as the ALEC provides BellSouth with necessary information in the format specified by BellSouth to populate the database. To the extent that additional costs are incurred because data is not submitted in the proper format, ALECs should be required to pay these costs.

Issue No. 8: Under what terms and conditions should BellSouth be required to list ALEC customers in its white and yellow pages directories, and to publish and distribute these directories to ALEC customers?

Position: BellSouth will (1) arrange to list ALEC business customers in BellSouth's yellow and white page directories, and (2) will arrange to list ALEC residence customers in BellSouth's white page directories. It is also BellSouth's intention to arrange for the distribution of yellow and white page directories to ALEC customers. BellSouth will arrange for a primary listing for individual customers at no charge as long as the data is provided in a form compatible with BellSouth's systems. Additional listing options (e.g., design listings) and the provision of directories outside a customer's service area will be provided to ALEC customers under the same terms, conditions and rates offered to BellSouth customers.

Issue No. 9: What are the appropriate arrangements for the provision of billing and collection services between BellSouth and ALECs, including billing and clearing, credit card, collect, third party calls and audiotext calls?

<u>Position</u>: All ALECs entering the market can obtain billing and collection services from BellSouth. The main requirement is that the ALEC must have its own Regional Accounting Office Code from BellCore. An ALEC may also elect to have a Regional Bell Company (RBOC), other than BellSouth, serve as its Centralized

Message Distribution System (CMDS) host. CMDS will provide the ALEC with the ability to bill for its services when the messages are recorded by a local exchange company. This would include credit card, collect and third-party calls.

The ALEC may elect to have BellSouth serve as its CMDS host. When BellSouth provides the CMDS host function, BellSouth will send CMDS all messages that are originated by an ALEC customer that are billable outside the BellSouth region. BellSouth will also forward all messages that originate outside the BellSouth region from CMDS to the ALEC for billing where applicable. This service will be provided via contract between the two companies.

As for audiotext calls, N11 service is the only service currently offered by BellSouth in its General Subscriber Service Tariff specifically tailored for audiotext customers. BellSouth does not jointly provide N11 service with any other LEC anywhere in its service region. 976 service is grandfathered and is no longer available.

Issue No. 10: What arrangements are necessary to ensure the
provision of CLASS/LASS services between BellSouth's and an
ALEC's interconnected networks?

<u>Position</u>: Full Signaling System 7 (SS7) connectivity is required between end offices to ensure the provision of CLASS/LASS services between BellSouth and an ALEC. BellSouth plans to unbundle SS7 signaling in its Switched Access Service

tariff and ALECs will be able to purchase this connectivity as an unbundled service.

<u>Issue No. 11</u>: What are the appropriate arrangements for physical interconnection between ALECs and BellSouth, including trunking and signaling?

<u>Position</u>: Local interconnection, which includes trunking and signaling, should be provided at the access tandem and end office level. This is the only currently feasible arrangement and is the arrangement that currently exists with the interexchange carriers.

Issue No. 12: To the extent not addressed in the Number Portability Docket, what are the appropriate financial and operational arrangements for interexchange calls terminated to a number that has been "ported" to an ALEC?

Position: The arrangement referenced above is identical to a situation in which an interexchange carrier is connected through the BellSouth access tandem to an ALEC end office. Under those circumstances, BellSouth would bill its switched access rate elements to the interexchange carrier and would anticipate that ALECs would do likewise. The IXC would receive two bills for the call, one from BellSouth and one from the ALEC, but the total charges would only constitute one access charge. This same arrangement is applicable to a call that has been "ported"; therefore, no special technical provisions are required.

Issue No. 13: What, if any, arrangements are necessary to
address other operational issues?

<u>Position</u>: Operational issues, such as repair service arrangements, are most appropriately resolved through the negotiation process. It is BellSouth's intention to address them in this manner. Should issues arise between the parties that cannot be resolved, the existing complaint procedures are the appropriate means for resolution.

Issue No. 14: What, if any, arrangements are appropriate
for the assignment of NXX codes to ALECs?

Position: BellSouth acknowledges that numbers should be available to all carriers on a equal basis in a competitive local exchange environment. BellSouth supports the work being conducted at the federal level, as well as the use of an independent administrator for the assignment and control of NPA and NXX codes and other special codes available in the North American Numbering Plan (NANP). Until such time that these issues are resolved at the national level, ALECs must process requests through BellSouth as long as BellSouth is the NXX administrator for its region.

#### E. STIPULATIONS

There has been a Stipulation and Agreement entered into by BellSouth, the Florida Cable Telecommunications Association, and Time-Warner, and potentially other parties, addressing Docket No.

950985-TP, Docket No. 950985A-TP, Docket No. 950985D-TP, Docket No. 950984-TP, Docket No. 950696-TP, and Docket No. 950737-TP.

## F. PENDING MOTIONS

There is a Joint Motion for Acceptance of Stipulation and Agreement and For Partial Stay of Proceeding filed by BellSouth, Florida Cable Telecommunications Association, and Time-Warner on December 8, 1995.

#### G. OTHER REQUIREMENTS

BellSouth knows of no requirements set forth in any prehearing order with which it cannot comply.

Respectfully submitted this 11th day of December, 1995.

BELLSOUTH TELECOMMUNICATIONS, INC.

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c/o Nancy H. Sims

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CERTIFICATE OF SERVICE Docket No. 950985A-TP Docket No. 950985B-TP Docket No. 950985C-TP Docket No. 950985D-TP

I HEREBY CERTIFY that a copy of the foregoing has been furnished by Federal Express this 11th day of December, 1995 to:

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